FOI #16758

Olivencia, Mildred

From: Port Authority [webmaster@mail132-224.atl131.mandrillapp.com] on behalf of Port Authority [webmaster@panynj.gov]
Sent: Monday, March 14, 2016 3:08 PM
To: Van Duyne, Sheree; Ng, Danny; Torres-Rojas, Genara; Olivencia, Mildred; Shalewitz, William
Subject: FOI Request Submitted

A Freedom of Information request has been submitted.

Request date: 03/14/2016

Requested by: George Molloy

Business: real estate

Address: 3128 Symes Drive
Belle Mead, NJ, Zip: 08502-4218

Contact: Phone: 908.625.0440
Email: gpmolloy@comcast.net

Records seeking: Elizabeth - Port Authority Marine Terminal - East Coast Warehouse & Distribution Corporation - Lease EP-158

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

April 1, 2016

Mr. George Molloy
3128 Symes Drive
Belle Mead, NJ 08502-4218

Re: Freedom of Information Reference No. 16758

Dear Mr. Molloy:

This is in response to your March 14, 2016 request, which has been processed under the Port Authority's Freedom of Information Code, copy enclosed, for a copy of the following: Elizabeth - Port Authority Marine Terminal - East Coast Warehouse & Distribution Corporation - Lease EP-158.

Material responsive to your request can be found on the Port Authority's website at http://corpinfo.panynj.gov/documents/16758-LPA/. Paper copies of the available records are available upon request.

Certain portions of the material responsive to your request are exempt from disclosure as, among other classifications, privacy and 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 3642 F: 212 435 7555

MLPF-11551.1

[redacted]

158

Lease No. EP-[redacted]

[redacted]

AGREEMENT [redacted]

between

THE PORT AUTHORITY

OF NEW YORK AND NEW JERSEY

and

EAST COAST WAREHOUSE & DISTRIBUTION CORP. &
SAFEWAY TRUCKING CORP.

Dated as of September 3, 1985

[redacted]

MLPI 4473.1

THIS AGREEMENT OF LEASE, made as of the 3rd day of September, 19 85, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") a body corporate and politic created by Compact between the States of New York and New Jersey with the consent of the Congress of the United States of America, and having an office and place of business at One World Trade Center, New York, New York 10048, and

EAST COAST WAREHOUSE & DISTRIBUTION CORP. & SAFEWAY TRUCKING CORP.

a New Jersey corporations ~~corporation~~ (hereinafter collectively called "the Lessee"), with an office and place of business at

Building 1150, Elizabeth-Port Authority Marine Terminal,
Elizabeth, New Jersey 07206

whose representative is: Roy Lebovitz

WITNESSETH, THAT:

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

ARTICLE I. The Port Authority hereby lets to the Lessee and the Lessee hereby hires and takes from the Port Authority, at Elizabeth-Port Authority Marine Terminal (sometimes hereinafter called "the Facility") in the City of Elizabeth County of Union, State of New Jersey, the following described premises:

the open areas shown in stipple on the sketches hereto attached, hereby made a part hereof, and marked "Exhibit A" and "Exhibit A-1", the former area being hereinafter sometimes called "Area A" and the latter area being hereinafter sometimes called "Area B".

together with the buildings, structures, fixtures, improvements, and other property, if any, of the Port Authority located or to be located therein or thereon, the said areas, buildings, structures, fixtures, improvements and other property of the Port Authority being hereinafter called "the premises". The Port Authority and the Lessee hereby acknowledge that the foregoing premises constitute non-residential property.

ARTICLE II. The term of the letting shall commence ~~at 12 o'clock Noon on~~ and shall expire as stated in Special Endorsement No. 1. ~~and unless sooner terminated shall expire at 12 o'clock Noon on~~

ARTICLE III. The Lessee shall pay a basic rental ~~at the rate of $ per annum payable in equal~~ as stated in Special Endorsement No. 2. ~~monthly installments in full in advance each on the sum of $ on and in the sum of $ on and on the first day of each succeeding month thereafter during the term of the letting.~~

MLPF-10672

ARTICLE IV. The Lessee shall use and occupy the premises for the following purposes only, and for no other purpose whatsoever:
(i) Prior to the completion Date as defined in Standard Endorsement No. L 15.1, for the performance of construction work in accordance with and subject to the provisions of Standard Endorsement No. 15.1, (ii) from and after the Completion Date, Area A for the temporary storage, incidental to distribution, of non-hazardous cargo for the account of other than the Lessee; and Area B for temporary storage and repair of automotive equipment owned or operated by the Lessee and used in the Lessee's operations at the Facility.

ARTICLE V. The Port Authority and the Lessee agree that the letting shall be subject to and in accordance with, and the Lessee and the Port Authority each for itself agrees that it will perform all the obligations imposed upon it by, the Terms and Conditions (Sections 1 through 30) hereof and the following endorsements and attachments, all annexed hereto and made a part hereof, with the same effect as if the same were set forth herein in full:

TITLE	NUMBER		DATE
Services	Standard Endorsement	NO. L 5.1	10/6/75
Construction by the Lessee	"	No. L15.1	10/6/64
Elizabeth-Port Authority Marine Terminal	"	No. L19.11	10/6/73
Insurance	"	No. L21.1	3/25/82
Siding Rights	"	No. L24.4	4/4/65
Abatement	"	No. L27.4	10/6/68

Special Endorsement Nos. 1 through 10
Space Plans, Exhibit A and Exhibit A-1
Schedule A-Minimum Rentals
Schedule naming Rules, Regulations, Rates and Charges applying at Port Authority Marine Terminals - Exhibit R
Schedule B-Unpaid Balance
Form of Assignment - Exhibit X

ARTICLE VI. The within, together with the said Terms and Conditions, endorsements and attachments, constitutes the entire agreement of the Port Authority and the Lessee on the subject matter, and may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the Lessee. The Lessee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Agreement.

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

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

ATTEST: Theresa A. Polato
ASSISTANT Secretary

By J. J. Kirk
Title JAMES J. KIRK
DIRECTOR, PORT DEPARTMENT
(Seal)

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

ATTEST:
Secretary

By Roy A. Elsner
Title President
(Corporate Seal)

ATTEST: Roy A. Elsner
Secretary

SAFEWAY TRUCKING CORP.
By
Title President
(Corporate seal)

APPROVED:
FORM | TERMS

TERMS AND CONDITIONS

SECTION 1. *Ingress and Egress*

The Lessee shall have the right of ingress and egress between the premises and the city streets outside the Facility. Such right shall be exercised by means of such pedestrian or vehicular ways. to be used in common with others having rights of passage within the Facility, as may from time to time be designated by the Port Authority for the use of the public. The use of any such way shall be subject to the rules and regulations of the Port Authority which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Facility. The Port Authority may, at any time, temporarily or permanently close, or consent to or request the closing of, any such way or any other area at, in or near the Facility presently or hereafter used as such, so long as a means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the Port Authority, and all municipalities and other governmental authorities, and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing. arising or alleged to arise out of the closing of any way or other area. whether within or outside the Facility. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the premises or in any streets, ways and walks near the premises.

SECTION 2. *Governmental and Other Requirements*

(a) The Lessee shall procure from all governmental authorities having jurisdiction of the operations of the Lessee hereunder, all licenses, certificates, permits or other authorization which may be necessary for the conduct of such operations.

(b) The Lessee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to its operations or the use and occupancy of the premises hereunder, and in addition shall make all improvements, repairs and alterations which may be so required.

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

SECTION 3. *Rules and Regulations*

(a) The Lessee covenants and agrees to observe and obey (and to compel its officers, employees and others on the premises with its consent to observe and obey) the Rules and Regulations of the Port Authority as now supplemented and now in effect, and such further reasonable rules and regulations (including amendments and supplements thereto) for the government of the conduct and operations of the Lessee as may from time to time during the letting be promulgated by the Port Authority for reasons of safety, health, or preservation of property, or for the maintenance of the good and orderly appearance of the premises, or for the safe or efficient operation of the Facility. The Port Authority agrees that, except in cases of emergency, it will give notice to the Lessee of every such further rule or regulation at least five (5) days before the Lessee shall be required to comply therewith.

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

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

SECTION 4. *Method of Operation*

(a) In the performance of its obligations hereunder and in the use of the premises the Lessee shall conduct its operations in an orderly and proper manner, so as not to annoy, disturb or be offensive to others near the premises or at the Facility and within twenty four hours remove the cause of any objection made by the Port Authority relative to the demeanor, conduct or appearance of any of the employees of the Lessee or others on the premises with the consent of the Lessee.

(b) The Lessee shall not allow any garbage, debris or other waste materials (whether solid or liquid) to collect or accumulate on the premises and the Lessee shall remove from the premises and from the Facility all garbage, debris and other waste materials (whether solid or liquid) arising out of its operations hereunder. Any such material which may be temporarily stored shall be kept in suitable waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and in any case to be designed and constructed to contain safely the waste material placed by the Lessee therein. The receptacles shall be provided and maintained by the Lessee and shall be kept covered except when being filled or emptied. The Lessee shall use extreme care when effecting removal of all such material, shall effect such removal at such times and by such means as first approved by the Port Authority, and shall in no event make use of any facilities or equipment of the Port Authority except with the prior consent thereof.

(c) The Lessee shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the utility, mechanical, electrical and other systems installed or located anywhere at the Facility.

(d) The Lessee shall not commit any nuisance or permit its employees or others on the premises with its consent to commit or create or continue or tend to create any nuisance on the premises or in or near the Facility.

(e) The Lessee shall take all reasonable measures to keep the sound level of its operations as low as possible and to eliminate vibrations tending to damage the premises or the Facility or any part thereof.

(f) The Lessee shall not cause or permit to be caused or produced upon the premises, to permeate the same or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapors or odors.

(g) The Lessee shall not do or permit to be done any act or thing at the Facility which shall or might subject the Port Authority to any liability or responsibility for injury to any person or persons or damage to any property.

(h) The Lessee shall not overload any floor, roof, land surface, bulkhead, pavement, landing, pier or wharf at the Facility, and shall repair, replace or rebuild any such, including but not limited to supporting members, damaged by overloading. For the purpose of this paragraph (h), any placing on the premises of a load per square foot in excess of the number of pounds avoirdupois, if any, stated in any Special Endorsement hereto shall constitute overloading, but an overload may be created by a lesser weight. Nothing in this paragraph or elsewhere in this Agreement shall be or be construed to be a representation by the Port Authority of the weight capacity of any part of the Facility.

(i) The Lessee shall not do or permit to be done any act or thing upon the premises or at the Facility which (1) will invalidate or conflict with any fire insurance policies covering the premises or any part thereof, or the Facility, or any part thereof or (2) which, in the opinion of the Port Authority, may constitute an extra-hazardous condition, so as to increase the risks normally attendant upon the operations permitted by this Agreement, or (3) which will increase the rate of any fire insurance, extended coverage or rental insurance on the Facility or any part thereof or on the contents of any building thereon. The Lessee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the National Fire Protection Association and, if the premises are located in New York, of the Insurance Services Office of New York, or, if the premises are located in New Jersey, of the Insurance Services Office of New Jersey, or of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the operations of the Lessee on

the premises, and the Lessee shall, subject to and in accordance with the provisions of this Agreement relating to construction by the Lessee, make any and all structural and non-structural improvements, alterations or repairs of the premises that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by any reason of any failure on the part of the Lessee to comply with the provisions of this paragraph any fire insurance, extended coverage or rental insurance rate on the premises or any part thereof, or on the Facility or any part thereof, shall at any time be higher than it otherwise would be, then the Lessee shall pay to the Port Authority that part of all premiums paid by the Port Authority which shall have been charged because of such violation or failure by the Lessee.

(j) From time to time and as often as required by the Port Authority, the Lessee shall conduct pressure, water-flow, and other appropriate tests of the fire extinguishing system and fire-fighting equipment on the premises whether furnished by the Port Authority or by the Lessee. The Lessee shall keep all fire-fighting and fire extinguishing equipment well supplied with a fresh stock of chemicals and with sand, water or other materials as the case may be for the use of which such equipment is designed, and shall train its employees in the use of all such equipment, including in such training periodic drills.

SECTION 5. *Signs*

(a) Except with the prior consent of the Port Authority, the Lessee shall not erect, maintain or display any advertising, signs, posters or similar devices at or on the premises or elsewhere at the Facility.

(b) Upon demand by the Port Authority, the Lessee shall remove, obliterate, or paint out any and all advertising, signs, posters and similar devices placed by the Lessee on the premises or elsewhere on the Facility and in connection therewith at the expiration or earlier termination of the letting, shall restore the premises and the Facility to the same condition as at the commencement of the letting. In the event of a failure on the part of the Lessee so to remove, obliterate or paint out each and every sign or piece of advertising and so to restore the premises and the Facility, the Port Authority may perform the necessary work and the Lessee shall pay the costs thereof to the Port Authority on demand.

SECTION 6. *Indemnity*

The Lessee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from all claims and demands of third persons including but not limited to claims and demands for death, claims and demands for personal injuries, and claims and demands for property damages, arising out of the use or occupancy of the premises by the Lessee or by others with its consent or out of any other acts or omissions of the Lessee, its officers and employees on the premises or elsewhere at the Facility, or out of the acts or omissions of others on the premises with the consent of the Lessee, including claims and demands of the party from which the Port Authority derives its rights in the Facility for indemnification arising by operation of law or through agreement of the Port Authority with such party.

SECTION 7. *Maintenance and Repair*

(a) The Lessee shall at all times keep the premises clean, and in an orderly condition and appearance, together with all the fixtures, equipment and personal property of the Lessee located in or on the premises.

(b) The Lessee shall repair, replace, rebuild and paint all or any part of the premises which may be damaged or destroyed by the acts or omissions of the Lessee or by those of its officers, employees or of other persons on or at the premises with the consent of the Lessee.

(c) With respect to all parts of the premises, including, but without limitation thereto, such of the following as are or may be during the term of the letting located in or on the premises: fences, the exterior and interior of the building walls, the exterior and interior and operating mechanisms of and attachments to windows and skylights, screens, roofs, foundations, steel work, columns, the exterior and interior and operating mechanisms of and attachments to doors, partitions, floors, ceilings, inside and outside paved and un-

paved areas, glass of every kind, and the utility, mechanical, electrical and other systems, the Lessee shall take the same good care of the premises that would be taken by a reasonably prudent owner who desired to keep and maintain the same so that at the expiration or termination of the letting and at all times during the letting, the same (or a reconstruction of all or any part thereof) will be in as good condition as at the commencement thereof (or, in the case of improvements made during the letting hereunder, in as good condition as at the time of the installation or construction thereof), except for reasonable wear which does not adversely affect the watertight condition or structural integrity of the building or other structures on the premises or adversely affect the efficient or the proper utilization of any part of the premises. To that end, the Lessee shall make frequent periodic inspections and, from time to time as the necessity therefor arises and regardless of the cause of the condition requiring the same, the Lessee shall perform all necessary preventive maintenance including but not limited to painting (the exterior of the building, areas of joint or common use and areas visible to the general public to be painted in colors which have been approved by the Port Authority), and, except under circumstances as set forth in paragraph (a) of Section 8 of these Terms and Conditions, the Lessee shall make all necessary repairs and replacements and do all necessary rebuilding with respect to all parts of the premises, all of which shall be in quality equal to the original in materials and workmanship and regardless of whether such repairs and replacements are structural or non-structural, ordinary or extraordinary, foreseen or unforeseen. The Lessee shall commence to perform each of its obligations hereunder within twenty days after notice from the Port Authority and shall thereafter continue the same to completion with reasonable diligence.

(d) The obligation of the Lessee as set forth in paragraphs (b) and (c) of this Section, in the event of damage or destruction covered by any contract of insurance under which the Port Authority is the insured, is hereby released to the extent that the loss is recouped by actual payment to the Port Authority of the proceeds of such insurance; *provided, however,* that, if this release shall invalidate any such policy of insurance or reduce, limit or void the rights of the Port Authority thereunder, then the release shall be void and of no effect.

SECTION 8. *Casualty*

~~(a) In the event that, as a result of a casualty insured against in favor of the~~ Port Authority under the standard form of fire insurance policy and extended coverage endorsement carried by it on any structure, building or portion of a building which is or is a part of the premises, the same is damaged (without the fault of the Lessee, its officers, employees, or others on or at the premises with its consent) so as to render it untenantable in whole or substantial part, then

(1) if, in the opinion of the Port Authority, the necessary repairs or rebuilding can be completed within ninety (90) days after the occurrence of the damage, the Port Authority shall repair or rebuild with due diligence, and the rental hereunder shall be abated as provided in this Agreement, for the period from the occurrence of the damage to the completion of the repairs or rebuilding, whether or not the work of repair or rebuilding is actually completed within the said ninety (90) days; or

(2) if, in the opinion of the Port Authority, such repairs or rebuilding cannot be completed within ninety (90) days after the occurrence of the damage, or if one or more of the structures or buildings which are a part of the premises or the entire premises require rebuilding, then the Port Authority shall have options: (i) to proceed with due diligence to repair or to rebuild as necessary or (ii) to terminate the letting as to the damaged structure or structures, building or buildings or portion thereof only, or (iii) to cancel this Agreement and terminate the letting as to the entire premises; and the rental payable under this Agreement shall be abated, as provided in this Agreement, either, as the case may require, for the period from the occurrence of the damage to the completion of repairs and rebuilding, or for the period from the occurrence of the damage to the effective date of termination, for the area or areas involved.

~~(b) "Substantial part" shall mean for the purpose of this Section at least twenty~~

~~five per cent (25%) of the usable floor space in the structure or building or part thereof comprising the premises, or, if there is more than one structure or building on the premises, at least twenty-five per cent (25%) of the aggregate usable floor space comprising the premises in all of the structures and buildings covered by insurance.~~

(c) The parties hereby stipulate that if the premises are in New Jersey neither the provisions of Titles 46:8-6 and 46:8-7 of the Revised Statutes of New Jersey nor those of any other similar statute shall extend or apply to this Agreement and if the premises are in New York, neither the provisions of Section 227 of the Real Property Law of New York nor those of any other similar statute shall extend or apply to this Agreement.

(d) In the event of damage to or a partial or total destruction of the premises, the Lessee shall within five days of the occurrence commence to remove all of its damaged property and all debris thereof from the premises or from the portion thereof destroyed and thereafter shall diligently continue such removal and if the Lessee does not perform its obligation hereunder, the Port Authority may remove such debris and dispose of the same and may remove such property to a public warehouse for deposit or may retain the same in its own possession and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by the Lessee to the Port Authority, with any balance remaining to be paid to the Lessee; if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the Lessee shall pay such excess to the Port Authority upon demand.

SECTION 9. *Assignment and Sublease*

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

(b) The Lessee shall not sublet the premises or any part thereof.

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

(d) The Lessee further covenants and agrees that it will not use or permit any person whatsoever to use the premises or any portion thereof for any purpose other than as provided in Article IV of this Agreement.

SECTION 10. *Condemnation*

(a) In any action or other proceeding by any governmental agency or agencies for the taking for a public use of any interest in all or part of the premises, or in case of any deed, lease or other conveyance in lieu thereof (all of which are in this Section referred to as "taking or conveyance"), the Lessee shall not be entitled to assert any claim to any compensation, award or part thereof made or to be made therein or therefor or any claim to any consideration or rental or any part thereof paid therefor, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority for any such taking or conveyance, it being understood and agreed between the parties hereto that the Port Authority shall be entitled to all compensation or awards made or to be made or paid, and all such consideration or rental, free of any claim or right of the Lessee.

(b) In the event that all or any portion of the premises is required by the Port Authority to comply with any present or future governmental law, rule, regulation, requirement, order or direction, the Port Authority may by notice given to the Lessee terminate the letting with respect to all or such portion of the premises so required. Such termina-

tion shall be effective on the date specified in the notice. The Lessee hereby agrees to deliver possession of all or such portion of the premises so required upon the effective date of such termination in the same condition as that required for the delivery of the premises upon the date originally fixed by this Agreement for the expiration of the term of the letting. No taking by or conveyance to any governmental authority as described in paragraph (a) of this Section, nor any delivery by the Lessee nor taking by the Port Authority pursuant to this paragraph, shall be or be construed to be an eviction of the Lessee or a breach of this Agreement or be made the basis of any claim by the Lessee against the Port Authority for damages, consequential or otherwise.

(c) In the event that the taking or conveyance covers the entire premises, or in the event that the letting is terminated with respect to the entire premises pursuant to paragraph (b) of this Section, then this Agreement shall, as of the date possession is taken by such agency or agencies from the Port Authority, or as of the effective date of such termination, cease and determine in the same manner and with the same effect as if the said date were the original date of expiration hereof.

(d) In the event that the taking or conveyance covers a part only of the premises, or in the event that the letting is terminated pursuant to paragraph (b) of this Section with respect to a part only of the premises, then the letting as to such part shall, as of the date possession thereof is taken by such agency or agencies, or as of the effective date of such termination, cease and determine in the same manner and with the same effect as if the term of the letting had on that date expired, and the basic rental shall be abated as provided hereinafter.

(e) In the event that the taking or conveyance or the delivery by the Lessee or taking by the Port Authority pursuant to paragraph (b) of this Section covers fifty per cent (50%) or more of the total usable area of the premises including both open and enclosed space, then the Lessee and the Port Authority shall each have an option exercisable by notice given within ten (10) days after such taking or conveyance to terminate the letting hereunder, as of the date of such taking, and such termination shall be effective as if the date of such taking were the original date of expiration hereof.

SECTION 11. *Construction by the Lessee*

Except with the prior consent of the Port Authority, the Lessee shall not erect any structures, make any improvements or do any other construction work on the premises or alter, modify, or make additions, improvements or repairs to or replacements of, any structure now existing or built at any time during the letting, or install any fixtures, and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made with or without such consent and unless the consent of the Port Authority shall expressly provide otherwise, the same shall immediately become the property of the Port Authority, and the Lessee shall have no right to remove the same either during the letting or at the expiration thereof unless the Port Authority, at any time prior to the expiration of the term of the letting, or any extension or renewal thereof, or within sixty (60) days after expiration or earlier termination of the term of the letting, shall give notice to the Lessee to remove the same, or to cause the same to be changed to the satisfaction of the Port Authority, in which case the Lessee agrees to remove the same, or change it in compliance with such notice. In case of any failure on the part of the Lessee to comply with such notice, the Port Authority may effect the removal or change, and the Lessee hereby agrees to pay the cost thereof to the Port Authority upon demand.

SECTION 12. *Additional Rent and Charges*

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

the same shall be and become additional rent, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the basic rental as set forth in Article III hereof.

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

(c) The term "cost" in this Agreement shall mean and include: (1) Payroll costs, including contributions to the Retirement System, or the cost of participation in other pension plans or systems, insurance costs, sick leave pay, holiday, vacation and authorized absence pay; (2) Cost of materials and supplies used; (3) Payments to contractors; (4) Any other direct costs; and (5) 30% of the sum of the foregoing.

SECTION 13. *Rights of Entry Reserved*

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

(b) Without limiting the generality of the foregoing, the Port Authority, by its officers, employees, agents, representatives, and contractors, and furnishers of utilities and other services, shall have the right, for its own benefit, for the benefit of the Lessee, or for the benefit of others than the Lessee at the Facility, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the premises at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Port Authority, be deemed necessary or advisable and, from time to time, to construct or install over, in or under the premises new systems or parts thereof, and to use the premises for access to other parts of the Facility otherwise not conveniently accessible; *provided, however,* that in the exercise of such rights of access, repair, alteration or new construction the Port Authority shall not unreasonably interfere with the use and occupancy of the premises by the Lessee.

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

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

(e) At any time and from time to time during ordinary business hours within the three (3) months next preceding the expiration of the letting, the Port Authority, by its agents and employees, whether or not accompanied by prospective lessees, occupiers or users

of the premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same and during such three-month period the Port Authority may place and maintain on the premises, the usual "To Let" signs, which signs the Lessee shall permit to remain without molestation.

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

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

SECTION 14. *Limitation of Rights and Privileges Granted*

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

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

(c) Nothing in this Agreement contained shall grant to the Lessee any rights whatsoever in the air space above the roof of the building or buildings or portion of a building or buildings, if any are included in the premises, (except to the extent required in either case for the performance of any of the obligations of the Lessee hereunder), or more than twenty (20) feet above the present ground level of any open area included in the premises.

SECTION 15. *Prohibited Acts*

(a) Unless otherwise expressly permitted so to do, the Lessee shall not install, maintain or operate, or permit the installation, maintenance or operation on the premises of any vending machine or device designed to dispense or sell food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any restaurant, cafeteria, kitchen, stand or other establishment of any type for the preparation, dispensing or sale of food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any equipment or device for the furnishing to the public of service of any kind, including therein, without limitation thereto, telephone pay-stations.

(b) The Port Authority, by itself or by contractors, lessees, or permittees, shall have the exclusive right to install, maintain and receive and retain the revenues from all coin-operated or other machines or devices for the sale of merchandise of all types, or for the rendering of services, which may be operated on the premises, *provided, however,* that no such machine or device shall be installed except upon the request of the Lessee. This provision shall not be construed to confer upon the Lessee any right to have such machines installed except at the sole discretion of the Port Authority.

SECTION 16. *Termination*

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

(1) The Lessee shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness

under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee, or liquidator of all or substantially all of its property; or

(2) By order or decree of a court the Lessee shall be adjudged bankrupt or an order shall be made approving a petition filed by any of its creditors or, if the Lessee is a corporation, by any of its stockholders, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

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

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

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

(6) If the Lessee is a partnership, and the said partnership shall be dissolved as the result of any act or omission of its partners or any of them, or by operation of law or the order or decree of any court having jurisdiction, or for any other reason whatsoever; or

(7) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the property of the Lessee, and such possession or control shall continue in effect for a period of fifteen (15) days; or

(8) The Lessee shall voluntarily abandon, desert or vacate the premises or discontinue its operations at the premises or at the Facility or, after exhausting or abandoning any right of further appeal, the Lessee shall be prevented for a period of thirty (30) days by action of any governmental agency from conducting its operations on the premises, regardless of the fault of the Lessee; or

(9) Any lien shall be filed against the premises because of any act or omission of the Lessee and shall not be discharged within twenty (20) days; or

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

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

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

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

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

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

SECTION 17. *Right of Re-entry*

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in Section 16 of these Terms and Conditions, have the right to re-enter the premises and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry, or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the Lessee under this Agreement, and shall in no event constitute an acceptance of surrender.

SECTION 18. *Waiver of Redemption*

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

SECTION 19. *Survival of the Obligations of the Lessee*

(a) In the event that the letting shall have been terminated in accordance with a notice of termination as provided in Section 16 of these Terms and Conditions, or the interest of the Lessee shall have been cancelled pursuant thereto, or in the event that the Port Authority has re-entered, regained or resumed possession of the premises in accordance with the provisions of Section 17 of these Terms and Conditions, all of the obligations of the Lessee under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of the letting, as originally fixed in Article II hereof, and the amount or amounts of damages or deficiency shall become due and payable to the Port Authority to the same extent, at the same time or times and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Port Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term.

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

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

(2) An amount equal to all expenses incurred by the Port Authority in connection with regaining possession and restoring and reletting the demised premises,

for legal expenses, boiler insurance premiums, if any, putting the premises in order including without limitation, cleaning, decorating and restoring (on failure of the Lessee to restore), maintenance and brokerage fees.

SECTION 20. *Reletting by the Port Authority*

The Port Authority, upon termination or cancellation pursuant to Section 16 of these Terms and Conditions, or upon any re-entry, regaining or resumption of possession pursuant to Section 17 of these Terms and Conditions, may occupy the premises or may relet the premises and shall have the right to permit any person, firm or corporation to enter upon the premises and use the same. Such reletting may be of part only of the premises or of the premises or a part thereof together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Port Authority shall also, upon termination or cancellation pursuant to Section 16 of these Terms and Conditions, or upon re-entry, regaining or resumption of possession pursuant to Section 17 of these Terms and Conditions have the right to repair and to make structural or other changes in the premises, including changes which alter the character of the premises and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder. In the event either of any reletting or of any actual use and occupancy by the Port Authority (the mere right to use and occupy not being sufficient however) there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said premises or portion thereof during the balance of the term of the letting as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the premises as the Port Authority may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by the Port Authority in connection therewith. No such reletting or such use and occupancy shall be or be construed to be an acceptance of a surrender.

SECTION 21. *Remedies to Be Nonexclusive*

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

SECTION 22. *Surrender*

(a) The Lessee covenants and agrees to yield and deliver peaceably to the Port Authority possession of the premises on the date of the cessation of the letting, whether such cessation be by termination, expiration or otherwise, promptly and in the same condition as at the commencement of the letting, reasonable wear arising from use of the premises to the extent permitted elsewhere in this Agreement, excepted.

(b) Unless the same are required for the performance by the Lessee of its obligations hereunder, the Lessee shall have the right at any time during the letting to remove from the premises, and, on or before the expiration or earlier termination of the letting, shall so remove its equipment, removable fixtures and other personal property, and all property of third persons for which it is responsible, repairing all damage caused by such removal. If the Lessee shall fail to remove such property on or before the termination or expiration of the letting, the Port Authority may remove such property to a public warehouse for deposit or may retain the same in its own possession and in either event may sell the same at public auction, the proceeds of which shall be applied: first, to the expenses of removal, including repair required thereby, and of storage and sale; second, to any sums owed by the Lessee to the Port Authority, with any balance remaining to be paid to the Lessee; if the expenses of such removal, repair, storage and sale shall exceed the proceeds of sale, the Lessee shall pay such excess to the Port Authority upon demand. The Lessee shall indemnify the Port Authority against all claims based on Port Authority action hereunder.

SECTION 23. *Acceptance of Surrender of Lease*

No agreement of surrender or to accept a surrender shall be valid unless and until the same shall have been reduced to writing and signed by the duly authorized representa-

tives of the Port Authority and of the Lessee. Except as expressly provided in this Section, neither the doing of, nor any omission to do, any act or thing, by any of the officers, agents or employees of the Port Authority, shall be deemed an acceptance of a surrender of the letting or of this Agreement.

SECTION 24. Notices

(a) All notices, permissions, requests, consents and approvals given or required to be given to or by either party shall be in writing (which shall include a telegram when delivered to the telegraph company), and all such notices and requests shall be telegraphed or personally delivered to the party or to the duly designated officer or representative of such party or delivered to an office or residence of such party, officer or representative during regular business hours, or delivered to the residence of such party, officer or representative or delivered to the premises, or forwarded to him or to the party at the office or residence address by registered mail. The Lessee shall designate an office within the Port of New York District and an officer or representative whose regular place of business is at such office. Until further notice, the Port Authority hereby designates its Executive Director, and the Lessee designates the person whose name appears on the first page of this Agreement as their respective officers or representatives upon whom notices and requests may be served, and the Port Authority designates its office at One World Trade Center, New York, New York 10048, and the Lessee designates its office, the address of which is set forth on the first page of this Agreement, as their respective offices where notices and requests may be served.

(b) If any notice is mailed or delivered, the giving of such notice shall be complete upon receipt or, in the event of a refusal by the addressee, upon the first tender of the notice to the addressee or at the permitted address. If any notice is sent by telegraph, the giving of such notice shall be complete upon receipt or, in the event of a refusal by the addressee, upon the first tender of the notice by the telegraph company to the addressee or at the address thereof.

SECTION 25. General

(a) Wherever in this Agreement the Lessee agrees or is required to do or has the right to do, any act or thing, the following shall apply:

(1) If the Lessee is a corporation, its obligation shall be performed by it and its rights shall be exercised only by its officers and employees or

(2) If the Lessee is a partnership, its obligations shall be performed and its rights shall be exercised by its partners and employees only or

(3) If the Lessee is an individual, his obligations shall be performed and his rights shall be exercised by himself and his employees only;

(4) None of the provisions of this paragraph (a) shall be taken to alter, amend or diminish any obligation of the Lessee assumed in relation to its invitees, business visitors, agents, representatives, contractors, customers, guests, or other persons firms or corporations doing business with it or using or on or at the premises with its consent.

(b) If more than one individual or other legal entity is the Lessee under this Agreement, each and every obligation hereof shall be the joint and several obligation of each such individual or other legal entity.

(c) Unless otherwise stated in Article IV on page 2 of this Agreement, the rights of user thereby granted to the Lessee with respect to the premises shall be exercised by the Lessee only for its own account and, without limiting the generality of the foregoing, shall not be exercised as agent, representative, factor, broker, forwarder, bailee, or consignee without legal title to the subject matter of the consignment.

(d) The Lessee's representative, hereinbefore specified in this Agreement, (or such substitute as the Lessee may hereafter designate in writing) shall have full authority to act for the Lessee in connection with this Agreement and any things done or to be done hereunder,

and to execute on the Lessee's behalf any amendments or supplements to this Agreement or any extension thereof.

(e) The Section headings in these Terms and Conditions and in the endorsements, if any, attached hereto are inserted only as a matter of convenience and for reference, and they in no way define or limit or describe the scope or intent of any provision hereof.

(f) All payments required of the Lessee by this Agreement shall be made at the office of the Treasurer of the Port Authority, One World Trade Center, New York, New York 10048, or to such other officer or address as may be substituted therefor. If the commencement date of the letting under this Agreement is other than the first day of a calendar month, the basic rental for the portion of the month during which the letting is effective shall be the amount of the monthly installment prorated on a daily basis using the actual number of days in the month, and if the expiration or termination date of the letting is other than the last day of a calendar month, the basic rental for the portion of the month during which the letting is effective shall be the amount of the monthly installment similarly prorated.

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

(h) The phrase "utility, mechanical, electrical and other systems" shall mean and include (without limitation thereto) the following: machinery, engines, dynamos, boilers, elevators, escalators, incinerators and incinerator flues, systems for the supply of fuel, electricity, water, gas and steam, plumbing, heating, sewerage, drainage, ventilating, air conditioning, communications, fire-alarm, fire-protection, sprinkler, telephone, telegraph and other systems, fire hydrants, fire hoses, and their respective wires, mains, conduits, lines, tubes, pipes, equipment, motors, cables, fixtures and other equipment.

(i) All designations of time herein contained shall refer to the time-system then officially in effect in the municipality wherein the premises are located.

SECTION 26. Premises

(a) The Lessee acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the condition of the premises or the suitability thereof for the operations permitted on the premises by this Agreement. The Lessee, prior to the execution of this Agreement, has thoroughly examined the premises and has found them to be in good order and repair and determined them to be suitable for the Lessee's operations hereunder. Without limiting any obligation of the Lessee to commence operations hereunder at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of the premises will be used initially or at any time during the letting which is in a condition unsafe or improper for the conduct of the Lessee's operations hereunder so that there is possibility of injury or damage to life or property and the Lessee further agrees that before any use it will immediately correct any such unsafe or improper condition.

(b) The Port Authority shall not be liable to the Lessee, or to any person, for injury or death to any person or persons whomsoever, or damage to any property whatsoever at any time in the premises or elsewhere at the Facility, including but not limited to any such injury, death or damage from falling material, water, rain, hail, snow, gas, steam, or electricity, whether the same may leak into, or fall, issue, or flow from any part of the Facility, or from any other place or quarter.

(c) If permission is given to the Lessee to enter into the possession of the premises or to occupy space other than the premises prior to the date specified in Article II as the commencement of the term of the letting, the Lessee agrees that such possession or occupancy shall be deemed to be under all the terms, covenants, conditions and provisions of this Agreement except as to the covenant to pay rent and except as may be expressly provided otherwise by the written instrument, if any, giving such possession or occupancy; in either case, rent shall commence on the date specified in this Agreement, and in the event of possession of the premises, the date of such possession shall be the date of commencement of the term hereunder.

SECTION 27. *Postponement*

If the Port Authority shall not give possession of the premises on the date fixed in Article II for the commencement of the term, by reason of the fact that the premises or any part thereof are in the course of construction, repair, alteration or improvement or by reason of the fact that the occupant thereof failed or refused to deliver possession to the Port Authority, or by reason of any cause or condition beyond the control of the Port Authority, the Port Authority shall not be subject to any liability for the failure to give possession on said date. No such failure to give possession on the date of commencement of the term shall in any wise affect the validity of this Agreement or the obligations of the Lessee hereunder, nor shall the same be construed in any wise to extend the term beyond the date stated in Article II for expiration. However, the rent shall not commence until possession of the premises is tendered by the Port Authority to the Lessee; the tender shall be made by notice given at least five (5) days prior to the effective date of the tender and in the event that such notice of tender is not given for possession to commence on or before one hundred eighty-five (185) days after the date stated in Article II for commencement of the term then this Agreement shall be deemed cancelled, except that each party shall and does hereby release the other party of and from any and all claims or demands based on this Agreement, or a breach or alleged breach thereof.

SECTION 28. *Force Majeure*

(a) The Port Authority shall not be liable for any failure, delay or interruption in performing its obligations hereunder due to causes or conditions beyond its control, including, without limitation thereto, strikes, boycotts, picketing, slow-downs, work stoppages or labor troubles of any other type (whether affecting the Port Authority, its contractors, or subcontractors.) Further, the Port Authority shall not be liable unless the failure, delay or interruption shall result from failure on the part of the Port Authority to use reasonable care to prevent or reasonable efforts to cure such failure, delay or interruption.

(b) The Port Authority shall be under no obligation to supply any service or services if and to the extent and during any period that the supplying of any such service or services or the use of any component necessary therefor shall be prohibited or rationed by any federal, state or municipal law, rule, regulation, requirement, order or direction and if the Port Authority deems it in the public interest to comply therewith, even though such law, rule, regulation, requirement, order or direction may not be mandatory on the Port Authority as a public agency.

(c) No abatement, diminution or reduction of the rent or other charges payable by the Lessee, shall be claimed by or allowed to the Lessee for any inconvenience, interruption, cessation or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city governments, or of any other municipal, governmental or lawful authority whatsoever, or by priorities, rationing or curtailment of labor or materials, or by war or any matter or thing resulting therefrom, or by any other cause or causes beyond the control of the Port Authority, nor shall this Agreement be affected by any such causes.

SECTION 29. *Brokerage*

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

SECTION 30. *Non-liability of Individuals*

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

(a) The Port Authority agrees to grant (if requested so to do by the Lessee), to suppliers of water, gas, electricity and telephone service operating in the vicinity a right of way or rights of way under the Facility from the streets outside of the Facility to the premises for the sole purpose of supplying such service or services to the Lessee. No such right of way shall include the right to use any system, equipment or portion thereof constructed or owned by or leased to the Port Authority.

(b) The Lessee shall promptly pay all water bills covering its own consumption. Such payment shall include any factor which may have been included by the appropriate governmental authority as a sewer-rent or other charge for the use of a sewer system. In the event that any such water bill shall remain unpaid for a period of six (6) months after the same becomes due and payable, or in the event that any such bill remains unpaid at the date of expiration or earlier termination of the letting under this Agreement, the Port Authority may pay the same and any interest or penalties thereon, and the total payment or payments at any time so made shall constitute an additional item of rental, payable to the Port Authority upon demand. Where sewage is contained in tanks periodically cleaned by a contractor paid by the Port Authority the Lessee shall pay such portion of the contract charge as may be reasonably determined by the Port Authority, on demand.

(c) Unless the Port Authority has expressly undertaken to heat the enclosed portions of the premises, if any. the Lessee agrees to heat the enclosed portions of the premises to a sufficient temperature so that the plumbing, fire-protection and sprinkler systems, if any, will not be damaged by reason of low temperatures.

(d) If any federal, state, municipal or other governmental body, authority or agency, or any public utility, assesses, levies, imposes, makes or increases any charge, fee, rent or assessment on the Port Authority, for any service, system or utility now or in the future supplied to or available at the premises or to any tenant, lessee, occupant or user thereof, or to the structures or buildings which, or a portion or portions of which, are included in the premises, (including but not limited to any sewer-rent or other charge for the use of a sewer system or sysems), the Lessee shall, at the option of the Port Authority exercised at any time and from time to time by notice to the Lessee, pay, in accordance with such notice, such charge, fee, rent or assessment or such increase thereof (or the portion thereof allocated by the Port Authority to the premises or to the operations of the Lessee under this Agreement) either directly to the governmental body, authority or agency, or to the public utility, or directly to the Port Authority, as such notice may direct. All payments to be made by the Lessee hereunder shall constitute items of additional rental.

(e) No failure, delay or interruption in any service or services, whether such service or services shall be supplied by the Port Authority or by others, shall relieve or be construed to relieve the Lessee of any of its obligations hereunder or shall be or be construed to be an eviction of the Lessee, or shall constitute grounds for any diminution or abatement of the rental or rentals payable under this Agreement, or grounds for any claim by the Lessee for damages, consequential or otherwise.

(f) In the event any one or more structures within or attached to the premises but not accessible directly from the enclosed portion of the premises is or are in use as a valve-room or valve-rooms for a sprinkler system, the same shall not be deemed a portion of the premises hereunder, and the Lessee shall afford access thereto through and across the premises at all times as required by the Port Authority for itself or its contractors, with or without tools,equipment, parts and supplies.

Standard Endorsement No. L 5.1

Services

All Facilities

10/6/75

(a) All work which the Lessee is required or permitted to do pursuant to the provisions of paragraph (b) of this Endorsement shall be done strictly in accordance with the following terms and conditions:

(1) The Lessee shall be the insurer of the Port Authority, its Commissioners, officers, agents and employees, against the following distinct and several risks, whether they arise from acts or omissions of the Lessee, of the Port Authority, of the Marine Terminals Construction Engineer of the Port Authority, or of third persons, or from acts of God or of the public enemy, or otherwise, excepting only risks which result solely from affirmative, wilful acts done by the Port Authority subsequent to the commencement of the work of construction, repair, alteration, improvement or addition:

(i) The risk of loss or damage to all such repairs, alterations, additions, improvements, or structures prior to the completion thereof. In the event of such loss or damage, the Lessee shall forthwith repair, replace and make good the work without cost to the Port Authority;

(ii) The risk of death, injury or damage, direct or consequential, to the Port Authority, its Commissioners, officers, agents and employees, and to its or their property, arising out of or in connection with the performance of the work. The Lessee shall indemnify the Port Authority, its Commissioners, officers, agents and employees for all such injuries and damages, and for all loss suffered by reason thereof;

(iii) The risk of claims and demands, just or unjust, by third persons against the Port Authority, its Commissioners, officers, agents and employees arising or alleged to arise out of the performance of the work. The Lessee shall indemnify the Port Authority, its Commissioners, officers, agents and employees against and from all such claims and demands, and for all loss and expense incurred by it and by them in the defense, settlement or satisfaction thereof.

(2) All work done pursuant to this Endorsement shall be done in accordance with drawings and specifications to be submitted to and approved by the Marine Terminals Construction Engineer of the Port Authority prior to the commencement of the work, shall be done to his satisfaction and shall be subject to his inspection; and the Lessee shall re-do or replace at its own expense any work not approved by the said Engineer.

(3) The Lessee shall pay all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them. Nothing herein contained shall be deemed to constitute consent to the creation of any lien or claim against the premises.

(4) The Lessee shall procure and maintain comprehensive public liability insurance, including automotive, and covering bodily-injury (including death) and property-damage liability, which shall be in addition to all policies of

insurance otherwise required by this Agreement, or, if the work is to be done by an independent contractor, the Lessee shall require such contractor to procure and maintain such insurance in the name of the contractor, in either case, in limits not lower than those set forth for such categories of insurance in the following schedule:

(i) Bodily injury liability:

For injury or wrongful death to one person:	$2,000,000.00
For injury or wrongful death to more than one person from any one accident:	$2,000,000.00

(ii) Property damage liability:

For all damages arising out of injury to or destruction of property in any one accident:	$2,000,000.00

(5) As to any insurance required by this Endorsement, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority prior to the commencement of work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified, without giving ten (10) days' written advance notice thereof to the Port Authority. A renewal policy shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy. If at any time any policy shall be or become unsatisfactory to the Port Authority as to form or substance, or if any carrier issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement.

(6) The Port Authority shall not be named as an insured in any policy of liability insurance required by this Endorsement, unless the Port Authority shall, at any time during the term of the letting under this Agreement direct otherwise in writing, in which case the Lessee shall cause the Port Authority to be so named.

(7) All materials and equipment to be incorporated into the Lessee's Construction work shall become the property of the Port Authority as soon as they are delivered to the premises. Nevertheless all such materials, equipment and structures shall be replaced by the Lessee at the expense of the Lessee if any such are deemed defective by the Engineer, or if any are lost, stolen, damaged or destroyed after such delivery. Upon such replacement, title to the original materials, if any, shall revert to the Lessee. As soon as each structure, repair, alteration, improvement or addition shall have been completed to the satisfaction of the Engineer then title to the whole thereof shall immediately and without execution of any further instrument vest in the Port Authority, and the same shall thereupon and thereafter be a part of the premises. The Port Authority shall have the option exercisable by notice delivered on or before the date of expiration or termination of the term of the letting or within sixty (60) days after such expiration or termination, to require the Lessee to remove any or all such structures, alterations, improvements or additions, and to restore the premises to the condition thereof prior to the building of such structure or the making of such alteration, improvement or addition. Such removal and restoration shall not be required to be accomplished prior to date of expiration or earlier effective date of termination of the letting but the Lessee shall commence the same within sixty (60) days thereafter and continue the same with due diligence to completion. In the event of a failure on the part of the Lessee so to remove and restore, the Port Authority may do so, and the Lessee shall pay the costs thereof as an additional item or rental hereunder, to be paid to the Port Authority on demand.

(b) The Lessee's construction work shall be: the construction on Area A of a distribution building (with site paving and the paving of Area B) containing approximately 350,000 square feet of space. The parties acknowledge that it is contemplated that a garage or garages may be approved by the Port Authority for construction on Area B, as used in either this Agreement "the Lessee's Construction Work" shall be solely the work described in the first sentence of this paragraph ((b) and shall not include the construction of the said garages ~~nor the installation of rail switch and rail track as described in Special Endorsement No. 7 of this Agreement~~. Without limiting the provisions of paragraph (a) of this Standard Endorsement, the size, design, the class of materials, configuration and all other elements involving the plan, scope and character of the building

deleted S-11

Standard Endorsement No. L 15.1
Construction by the Lessee
All Marine Terminal Facilities

shall be subject to the prior approval of the Port Authority, and the Lessee shall not commence any construction until the Port Authority has approved the plans and specifications for the building on Area A and the paving of Area B. Without limiting the generality of any provision of this Agreement, the Lessee understands that the distribution building shall be fully a part of the premises hereunder and that all the obligations of the Lessee under this Agreement shall apply thereto, including without limitation the obligations of the Lessee contained in Section 7 of the Terms and Conditions of this Agreement entitled "Maintenance and Repair".

(c) In addition to the insurance required under subdivision (4) of Paragraph (a) of this Standard Endorsement, the Lessee shall also procure and maintain the following policy of insurance, or, if the work is to be done by independent contractor(s): the Lessee shall require such contractor(s) to procure and maintain such insurance in the name of such contractor(s) a policy of Worker's Compensation coverage providing full New Jersey benefits. The provisions of subdivision (5) of Paragraph (a) of this Endorsement shall apply with full force and effect to the insurance required by this Agreement.

(d) The Lessee understands and agrees that the liability insurance referred to and required under subdivision (4) of Paragraph (a) of this Standard Endorsement, shall include a contractual liability endorsement and shall not contain any exclusions relating to collapse of foundation and underground structures; explosions, however caused; or damage to underground utilities caused by the contractor's equipment (commonly referred to as X, C and U exclusions in the New Jersey Insurance Rate Codes). Additionally, all policies of insurance required by this Agreement shall contain a provision that the insurer shall not without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(e) Subdivision (6) of Paragraph (a) of this Endorsement was changed to read, "The Port Authority shall be named as an insured in any policy of liability insurance required by this Endorsement."

(f) Wherever used in this Standard Endorsement the

term "Marine Terminals Construction Engineer of the Port Authority" shall be deemed deleted and the term "Assistant General Manager, Facilities Management Division, Port Department of the Port Authority" shall be deemed substituted therefor.

(g) The Lessee shall not commence any work on the premises until final approval by the Port Authority of the plans and specifications for all of the work. The Lessee shall be solely responsible for the plans and specifications used by it, and for the adequacy or sufficiency of such plans, specifications and all the improvements depicted thereon or covered thereby, regardless of the consent thereto or approval thereof by the Port Authority or the incorporation therein of any Port Authority requirements or recommendations. The Port Authority shall have no obligations or liabilities in connection with the performance of work performed by the Lessee, or on its behalf, or the contracts for the performance thereof entered into by the Lessee. Any warranties extended or available to the Lessee in connection with the aforesaid work shall be for the benefit of the Port Authority as well as the Lessee.

(h) In performing the work described in this Section of this Agreement the Lessee shall use only contractors first approved by the Port Authority operating under contracts subject to the prior consent of the Port Authority. In no case shall the Lessee make a contract with a firm, corporation or other organization owned by or wholly or partially in common ownership with the Lessee, for performance of the Lessee's construction work or any part or parts thereof.

(b) The Port Authority shall be named as an additional insured in any policy of liability insurance required by this Endorsement, unless the Port Authority shall, at any time during the term of the letting under this Agreement, direct otherwise in writing, in which case the Lessee shall cause the Port Authority not to be so named.

(c) In any policy of insurance on property other than that of the Lessee required by this Endorsement, the Port Authority shall be named as the owner except that as to property as to which the Port Authority is itself a lessee, the Port Authority shall be named as the lessee and the owner shall be named as the owner. Each shall be endorsed substantially as follows:

> "Loss, if any, under this policy, as to the interest of the owner and as to the interest of The Port Authority of New York and New Jersey, shall be adjusted solely with the Port Authority and all proceeds under this policy shall be paid solely to the Port Authority."

(d) Any "Additional Interest" policy of boiler and machinery insurance required by this Endorsement shall provide protection under Sections 1 and 2 only of the Insuring Agreements of the form of policy approved for use as of the date hereof by the Insurance Rating Board, New York, New York.

(e) As to any insurance required by this Endorsement, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority within ten (10) days after the execution of this Agreement. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified, without giving ten (10) days' written advance notice thereof to the Port Authority. A renewal policy shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the term of the letting under this Agreement, as the same may be from time to time extended. If at any time any of the policies shall be or become unsatisfactory to the Port Authority as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement.

(f) Each policy of insurance required by this Endorsement shall contain a provision that the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(a) The Lessee in its own name as assured shall secure and pay the premium or premiums for such of the following policies of insurance affording those coverages as to which minimum limits are fixed in the schedule set forth below. Each such policy shall be maintained in at least the limit fixed with respect thereto, shall cover the operations of the Lessee under this Agreement, and shall be effective throughout the term of the letting.

SCHEDULE

Policy	Minimum Limit
(1) Comprehensive general liability insurance (to include contractual liability endorsement).	
(i) Bodily-injury liability: For injury or wrongful death to one person:	$ 2,000,000.00
For injury or wrongful death to more than one person in any one occurrence:	$ 2,000,000.00
(ii) Property-damage liability: For all damages arising out of injury to or destruction of property in any one occurrence:	$ 2,000,000.00
(iii) Products liability:	$
(2) Automotive liability insurance.	
(i) Bodily-injury liability: For injury or wrongful death to one person:	$ 2,000,000.00
For injury or wrongful death to more than one person in any one occurrence:	$ 2,000,000.00
(ii) Property-damage liability: For all damages arising out of injury to or destruction of property in any one occurrence:	$ 2,000,000.00
(3) Plate and mirror glass insurance, covering all plate and mirror glass in the premises, and the lettering, signs, or decorations, if any, on such plate and mirror glass.	$
(4) Boiler and machinery insurance, covering all boilers, pressure vessels and machines operated by the Lessee in the premises:	$
(5) "Additional Interest" policy of boiler and machinery insurance, covering all boilers, pressure vessels and machines operated by the Lessee in the premises:	$
(6) Garagekeepers' legal liability:	$

Standard Endorsement No. L 21.1
(2 pages)

Insurance

All Facilities

3/25/82

(a) As used in this Agreement:

(1) "Elizabeth-Port Authority Marine Terminal", "Elizabeth-Port Authority Piers", "Facility", or "marine terminal" shall mean the land and premises in the City of Elizabeth, in the County of Union and State of New Jersey, title to which was vested in the Port Authority by an Order Vesting Title in and Directing Delivery of Possession to The Port of New York Authority dated March 14, 1958, filed March 17, 1958 in the Superior Court of New Jersey, Law Division, Union County, Docket No. L-7065-56, in the case of The Port of New York Authority, plaintiff, vs. Edward J. Grassmann, et al., defendants, the lands title to which was so conveyed having been described fully in the Second Amended Complaint filed in the said case on May 16, 1957, and lands contiguous or adjacent thereto within the County of Union which may have been heretofore or may hereafter be acquired by the Port Authority to use for marine terminal purposes.

(2) "Letting" shall include any extension of the letting under this Agreement, whether made by agreement or by operation of law.

(3) "Manager of the Facility", "Facility Manager" or "Manager" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the said Manager or in the Superintendent of the Facility by this Agreement; but until further notice from the Port Authority to the Lessee, it shall mean the Manager (or the Acting Manager) Port Authority Marine Terminals-New Jersey for the time being, or his duly designated representative or representatives.

(b) The rights of the Port Authority in the Facility are those acquired by it pursuant to the order described in subparagraph (1) of paragraph (a) of this Standard Endorsement, together with those which may be acquired by any subsequent order or orders, deed or deeds, leases or other instruments transferring or assigning additional adjacent property, and no greater rights are granted or intended to be granted to the Lessee hereunder than the Port Authority has power thereunder to grant.

(c) No designation in this Agreement of any area as a street, highway, roadway or other comparable characterization, whether or not by name, shall be or be deemed to be an admission, recognition or acknowledgment of any public or private rights in the area so designated, or as a dedication for or a consent to any public or private use of the same. All use in this Agreement of names and designations in connection with such areas is merely for the purpose of fixing geographical locations.

~~(d) This Agreement and the letting hereunder are subject and subordinate to all mortgages which may now~~ or hereafter affect the premises or the Facility and to all renewals, modifications, ~~consolid~~ations, replacements and extensions thereof, and the Lessee ~~agrees to~~ execute any instrument which may be deemed necessary or desirable ~~further~~ to effect the subordination of this Agreement and the letting ~~hereunder to any and all such mortgages.~~

Standard Endorsement No. L 19.11 (2 pages)
Elizabeth-Port Authority Marine Terminal
Elizabeth-Port Authority Marine Terminal
10/6/73

(e) Without in anywise limiting the obligations of the Lessee as elsewhere stated in this Agreement, the Lessee shall be liable to the Port Authority for all damage done to the Facility or to any part thereof or to any property of the Port Authority thereon through any act or omission of those in charge of or operating any vessels, steamers, barges, lighters, other floating equipment or any trucks, other vehicles or other transportation equipment, while any such is at, coming to, or leaving the premises.

(f) The Lessee, upon paying all rentals hereunder and performing all the covenants, conditions and provisions of this Agreement, on its part to be performed, shall and may peaceably and quietly have, hold and enjoy the premises free of any act or acts of the Port Authority or any successor landlord or anyone claiming superior title through the Port Authority or such successor landlord, except as expressly permitted in this Agreement; *

(g) If by the provisions of Article IV or by other express provision in this Agreement the Lessee is authorized to use the premises to store for distribution items of merchandise or other materials (whether for the account of the Lessee or of others, as may be specifically provided elsewhere in this Agreement) such storage shall be substantially for merchandise and materials waterborne to the Facility or intended to be waterborne from the Facility, except that as specifically authorized from time to time by the Port Authority, the Lessee may store non-waterborne items, the handling of which is necessary as an incident to its business at the premises. "Waterborne to (or from) the Facility" shall mean and include all shipments consigned to or from the Facility which reach or leave the Port of New York by water carrier.

* it being understood and agreed that the Port Authority's liability hereunder shall obtain only so long as it remains the owner of the Facility.

(a) The Lessee shall have the right (to be exercised in common with others now or in the future having rights of passage by rail) to the non-exclusive use of such of the existing railroad tracks located on the Facility (and which shall not be leased for exclusive use to others) as may be necessary for ingress and egress of railroad cars to and from the premises, subject to the following limitations and conditions:

(1) the foregoing right of use shall be subject at all times to the prior right of use by or on behalf of the United States;

(2) the foregoing right of use shall be exercised in a manner which will not hamper, interfere with or prevent the reasonable use of the tracks by others for the passage of railroad cars and locomotives;

(3) the Lessee shall not cause or permit the tracks to be obstructed, (except for the portion of track on or adjacent to the premises and that portion only for reasonable loading and unloading periods) and shall comply with all rules and regulations of the Port Authority relating to the use of railroad tracks which are now in effect or which may hereafter be promulgated for the safe and efficient use of the Facility, and shall comply further with the directions of the Manager of the Facility relating to the use of railroad tracks;

(4) the Port Authority shall have the right to remove or to relocate any track or tracks so long as means of ingress and egress for railroad cars as above described remains available;

(5) the Port Authority shall not be liable for any inconvenience, delay or loss to the Lessee by reason of interruption of use by the Lessee of any or all such railroad tracks occasioned by causes or circumstances over which the Port Authority shall not have control;

(6) the Port Authority shall not be responsible for maintenance of the switches and track used exclusively for serving the Lessee;

(7) the Lessee shall bear and promptly pay all charges made by railroads for switching or other services required for such use of railroad tracks by or for the Lessee; and

(8) the rights of user granted hereby shall be subject to any existing or future agreements between the Port Authority and railroads relating to the furnishing of service by railroads at the Facility as the said agreements may from time to time be modified or amended. In the event that the Lessee requires service from any railroad the Lessee hereby agrees to enter into such agreement or agreements covering the furnishing of such service as may be prescribed by the railroad or railroads furnishing the same.

(b) The Port Authority for its benefit and the benefit of others reserves the full and free right to use any railroad tracks located on the premises for the passage and re-passage of railroad cars and locomotives and reserves the right to enter upon the premises to maintain and repair such tracks.

(c) If this is part of a lease of premises at either Port Newark or the Elizabeth-Port Authority Marine Terminal, "Facility" as used in this Standard Endorsement shall mean and include both.

(a) If at any time the Lessee shall become entitled to an abatement of basic rental under the provisions of this Agreement or otherwise, such abatement shall be computed as follows:

(1) For each square foot of usable open area the use of which is denied to the Lessee, at the annual rate of $ .237*

(2) For each square foot of usable covered area the use of which is denied to the Lessee, at the annual rate of $same as (1) above

(b) If no rates are filled in above then the abatement of basic rental shall be made on an equitable basis, giving effect to the amount and character of the area the use of which is denied the Lessee, as compared with the entire area of such character included in the premises.

(c) If an exemption amount is fixed in this Agreement, it shall be reduced in the same proportion as the total basic rental is abated.

(d) For the purposes of this Endorsement, the number of square feet of covered area shall be computed as follows: by measuring from the inside surface of outer building walls to the surface of the public area side, or of the non-exclusive area side, as the case may require, of all partitions separating the area measured from adjoining areas designated for the use of the public or for use by the Lessee in common with others, and to the center of partitions separating the area measured from adjoining area exclusively used by others; no deduction will be made for columns, partitions, pilasters or projections necessary to the building and contained within the area measured. Permanent partitions enclosing elevator shafts, stairs, fire towers, vents, pipe shafts, meter closets, flues, stacks and any vertical shafts have the same relation to the area measured as do outer building walls.

(e) In the event that during the term of the letting under this Agreement the Lessee shall be partially evicted (actually or constructively) and shall remain in possession of the premises or the balance thereof, the Lessee agrees that notwithstanding it might have the right to suspend payment of the rent in the absence of this provision, it will pay at the times and in the manner herein provided, the full basic rental less only an abatement thereof computed in accordance with the above.

*for Area A through the date before the third anniversary of the rent commencement date and thereafter to be increased in proportion to increases in basic rental for Area A; and $0.10 for Area B through May 31, 2000, and thereafter to be increased in proportion to increases in basic rental for Area B.

Standard Endorsement No. L 27.4

Abatement

All Marine Terminals

10/6/68

SPECIAL ENDORSEMENTS

1. The term of the letting under this Agreement shall commence upon the execution of this Agreement by the Port Authority and the Lessee and the delivery to the Lessee of a fully executed copy thereof and, unless sooner terminated, the term of the letting shall expire at 11:59 o'clock P.M. on the day before the fortieth (40th) anniversary of the earliest of the following dates: (i) December 1, 1986; (ii) the date (hereinafter called "the Completion Date") as of which the Engineer shall certify that the Lessee's construction work has been substantially completed; or (iii) the commencement at the premises of any of the operations authorized under (ii) of Article IV of this Agreement (which earliest date is hereinafter in this Agreement called "the rent commencement date").

2. (a) The Lessee shall pay to the Port Authority a basic rental for Area A during the period of the letting from the rent commencement date through May 31, 2000, at the annual rate of One Hundred Twenty-eight Thousand Dollars and No Cents ($128,000.00). Basic rental and additional basic rental at the respective annual rates herein and hereinafter described in this Special Endorsement shall be payable in advance in equal monthly installments on the rent commencement date and on the first day of each calendar month thereafter during the respective periods except that if the rent commencement date shall be a day other than the first day of a calendar month the installment of basic rental payable on the rent commencement date shall be the equal monthly installment multiplied by a fraction the numerator of which shall be the number of days from the rent commencement date to the last day of the calendar month in which the rent commencement date shall fall and the denominator of which shall be the number of days in that calendar month.

(b) For each of the three-year periods commencing on the third (3rd) anniversary of the rent commencement date and on each anniversary of the rent commencement date thereafter which is a multiple of three and which shall occur on or prior to May 31, 2000, the Lessee, in addition to the basic rental provided for in paragraph (a) above, shall pay additional basic rental for Area A as follows: (1) for each such three-year period, the annual additional basic rental rate for that period shall be Three Hundred Seventy-eight Thousand Dollars and No Cents ($378,000.00) multiplied by one-half (1/2) of the

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For the Lessee

percentage increase in the Consumer Price Index, All Urban Consumers, New York and Northeastern New Jersey, 1967-100 (hereinafter called "the Consumer Price Index") published by the United States Government for the month immediately preceding the commencement date of the one of the said three-year periods for which the increase is being computed, over the Consumer Price Index published for the calendar month immediately preceding the calendar month in which the rent commencement date falls. For example, if the increase in the Consumer Price Index for the calendar month preceding the commencement date of the three-year period commencing on the third anniversary of the rent commencement date is shown to be twenty percent (20%) then the basic annual rental for that three-year period shall be $128,000.00 plus ten percent (10%) of $378,000.00 or $165,800.00, but if said increase is shown to be ten percent (10%) then the basic annual rental for that three-year period shall be $163,050.80.

(c) The Lessee shall pay to the Port Authority basic rental for Area A during the period of the letting from June 1, 2000 through the day before the date thereafter which shall be an anniversary of the rent commencement date which is a multiple of three, at the annual rate which shall be Three Hundred Seventy-eight Thousand Dollars and No Cents ($378,000.00) plus $378,000.00 multiplied by one-half of the percentage increase in the Consumer Price Index published by the United States Government for the month immediately preceding the commencement date of the twelfth anniversary of the rent commencement date, over the Consumer Price Index published for the calendar month immediately preceding the calendar month in which the rent commencement date falls.

(d) The Lessee shall pay to the Port Authority basic rental for Area A during the balance of the term of the letting under this Agreement commencing on the anniversary of the rent commencement date as follows:

(i) For each three-year period during the period commencing with the anniversary of the rent commencement date described in paragraph (c) above through the day before the twenty-first anniversary of the rent commencement date, the annual rate of basic rental shall be Three Hundred Seventy-eight Thousand Dollars and No Cents ($378,000.00) plus Three Hundred Seventy-eight Thousand Dollars and No Cents ($378,000.00) by one-half (1/2) of the percentage increase in the Consumer Price

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Index, published by the United States Government for the month immediately preceding the commencement date of the one of the said three-year periods for which the increase is computed, over the Consumer Price Index published for the calendar month immediately preceding the calendar month in which the rent commencement date falls;

(ii) during the three-year period commencing on the twenty-first anniversary of the rent commencement date, the annual rate of basic rental shall be the greater of: (A) the basic rental payable during the immediately preceding three-year period; or (B) One Million Three Hundred Fifty Thousand Dollars and No Cents ($1,350,000.00); and

(iii) for each three-year period commencing with the twenty-fourth anniversary of the rent commencement date and each three-year period commencing on each anniversary of the rent commencement date thereafter which is a multiple of three, the annual basic rental rate shall be the greater of (A) or (B) described in (ii) above plus the said greater multiplied by one-half (1/2) of the percentage increase in the Consumer Price Index published by the United States Government for the month immediately preceding a commencement date for one of the said three-year periods for which the increase is being computed, over the Consumer Price Index published for the calendar month immediately preceding the calendar month in which the twenty-first anniversary of the rent commencement date falls.

(e) (a) (EXH. 2-1) The Lessee shall pay to the Port Authority a basic rental for Area B during the period of the letting from the rent commencement date through May 31, 2000, at the annual rate of Twelve Thousand Seven Hundred Sixteen Dollars and Fifty Cents ~~($12,716.50)~~.

(b) The Lessee shall pay to the Port Authority a basic rental for Area B during the period of the letting commencing on June 1, 2000, as follows:

(i) During the three-year period commencing June 1, 2000 at the annual rate of Sixty-two Thousand Three Hundred Ten Dollars and Eighty-five Cents ($62,310.85); and

(ii) For each three-year period commencing on June 1, 2003, June 1, 2006, June 1, 2009, June 1, 2012, June 1, 2015, June 1, 2018, June 1, 2021 and June 1, 2024, the annual

For the Port Authority

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basic rental rate for Area B shall be Sixty-two Thousand Three Hundred Ten Dollars and Eighty-five Cents ($62,310.85) increased by one-half (1/2) of the percentage increase in the Consumer Price Index published by the United States Government for the calendar month immediately preceding the commencement date of the one of the said three year periods for which the increase is being computed, over the Consumer Price Index published for May, 2000.

(f) Notwithstanding the contrary result of any computation provided for in the preceding paragraphs of this Special Endorsement, the basic rental rate (plus the additional basic rental rate if any) for any period of the letting shall not be less than the greater of: (C) the said rate payable during the immediately preceding three-year period; or (D) the minimum therefor as set forth in Schedule A attached to this Agreement and hereby made a part hereof for the three-year period in question.

(g) In the event:

(i) the base period (currently the year 1967) for the Consumer Price Index is at any time hereafter changed from 1967 to any other base period, the Consumer Price Index for the calendar month immediately preceding the rent commencement date, the calendar month immediately preceding the twenty-first anniversary of the rent commencement date and May, 2000, shall be recomputed accordingly;

(ii) the said Consumer Price Index is not in publication at a time when its use is required hereunder, the Port Authority shall select and apply a similarly comparable Index in determining increases in basic rental due under paragraph (b) above.

(h) If an increase in basic annual rental under the preceding paragraphs of this Special Endorsement shall become effective on a day other than the first day of a calendar month, the installment of basic rental payable for the month in which the increase becomes effective shall be determined by prorating on a daily basis, the basic annual rental rates in effect during that month before and after the effective date of the increase.

For the Port Authority

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For the Lessee

3. (a) Upon performance by the Lessee in accordance with the provisions of Standard Endorsement L15.1 of the Lessee's construction work, the Port Authority will pay to the Lessee the lesser of:(i) the reasonable costs of the Lessee's construction work as set forth below; or (ii) Ten Million Five Hundred Thousand Dollars ($10,500,000). To the extent permitted by sound accounting practice, the sum of the following items of cost incurred by the Lessee in performing the Lessee's construction work shall constitute the cost of the Lessee's construction work for the purposes of this Agreement.

(1) The Lessee's payments to contractors;

(2) The Lessee's payments for supplies and materials;

(3) The Lessee's payments to persons, firms or corporations other than construction contractors orsuppliers of materials, for services rendered or rights granted in connection with the construction, not including services of the types mentioned in paragraphs (4), (5) and (6) below;

(4) The Lessee's payments of premiums for performance bonds, for builders' risk insurance, and for liability insurance, in effect during the period of construction only and covering the work of construction only;

(5) The Lessee's payments for engineering services for the construction work for the period of the construction only;

(6) The Lessee's payments for architectural, planning and design services in connection with the construction work only;

For the Port Authority

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For the Lessee

(7) The sum of the costs approved under paragraphs (4), (5) and (6) shall not exceed 20% of the sum of the costs approved under paragraphs (1), (2) and(3); if in fact there is any such excess, such excess shall not be a part of the costs of the Lessee's construction work. No payment or payments on account of administrative or other overhead costs and no payment to employees of the Lessee shall be included, whether or not allocated to the cost of the work in the Lessee's own accounting. No payment to a firm or corporation wholly or partially owned by or in common ownership with the Lessee shall be included. All contracts shall be subject to the prior approval of the Port Authority, and the Lessee shall use only such contractors, whether for construction, engineering, design, supply or service, as shall have the prior and continuing consent of the Port Authority.

(b) On or about the tenth day of each month, the Engineer shall (upon receipt from the Lessee of a statement, sworn to by a responsible officer of the Lessee, of the amount of costs due and payable by the Lessee at the time of the statement or within twenty (20) days thereafter) estimate and certify to the Port Authority the approximate amount of the Lessee's construction work completed up to that time, showing the proportion of the same to the total work, and a sum of money bearing the same proportion to the estimated total cost as the amount of work bears to the estimated total thereof not exceeding Ten Million Five Hundred Thousand Dollars and No Cents ($10,500,000.00), if in his opinion the value of the completed work to the Port Authority is at least equal to such sum. The Port Authority shall within fifteen (15) days after the receipt of each monthly statement and certificate of the Engineer, pay to the Lessee the lesser of: (A) the sum certified less (i) ten percent (10%) thereof, and (ii) the amounts of all claims made against the Port Authority by subcontractors, materialmen or workmen in connection with the work; or (B) the amount of cost stated to be due and payable by the Lessee. The Lessee shall use the Port Authority's monthly payment solely to discharge costs then due. The Lessee shall accompany the second monthly statement submitted by the Lessee and all subsequent monthly statements with paid invoices, receipted bills and such other evidence of payment as the Engineer may request with respect to all costs stated to have been payable by the Lessee during the preceding month. Upon completion of all the Lessee's construction work, the Lessee shall supply to the Port Authority

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For the Port Authority

For the Lessee

full statements of the costs thereof, as such costs are hereinabove defined, sworn to by a responsible officer of the Lessee, and supported by paid invoices or statements thereof. After examination and approval of such sworn statements and supporting documents, and after such further examination of the records and books of account of the Lessee as the Port Authority may deem reasonable, the Port Authority will pay to the Lessee the full amount of the reasonable costs not in excess of Ten Million Five Hundred Thousand Dollars and No Cents ($10,500,000.00), less (i) the sum of all claims of third persons in regard to the work and (ii) the sum of all prior payments made hereunder. Notwithstanding the foregoing the Port Authority shall pay the Lessee only with respect to the Lessee's construction work included in its plans and specifications. If a final determination of the Lessee's costs of the Lessee's construction work or of the limitation amount described in the first sentence of this paragraph (a) shows that the Port Authority has paid the Lessee more than the said limitation amount, the Lessee shall repay the excess payment upon demand. The full amount of the reasonable costs of construction (up to a maximum of Ten Million Five Hundred Thousand Dollars and No Cents ($10,500,000.00) including any portion of the reasonable costs still being withheld by the Port Authority because of claims of third parties, shall be deemed the "Total Reimbursement Amount" for purposes of determining the basic rental in accordance with Special Endorsement No. 4 hereof. It is understood that the Port Authority shall reimburse the Lessee amounts otherwise due hereunder which are withheld as the result of claims of third parties when such claims are fully and finally discharged.

4. (a) In addition to the basic rental payable by the Lessee as described in Special Endorsement No. 2, the Lessee shall pay to the Port Authority construction rental at a monthly rate which shall be determined by multiplying 0.009078 times the Total Reimbursement Amount which construction rental shall be payable on the rent commencement date and on the first day of each calendar month thereafter until two hundred forty (240) consecutive full monthly payments have been made. If the rent commencement date shall be a day other than the first day of a calendar month the construction rental payable on the rent commencement date shall be a sum equal to the amount of the full monthly payment prorated on a daily basis for the period from the

For the Port Authority

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For the Lessee

rent commencement date to the end of the calendar month in which the rent commencement date falls and the last payment shall be a sum equal to the full monthly payment prorated on a daily basis for a period from the first day of the calendar month in which the term of the letting hereunder shall expire to the expiration date.

(b) If the rent commencement date shall occur before accurate and final determination of the Total Reimbursement Amount then interim construction rental the Lessee shall pay to the Port Authority during the period prior to such determination at the rate of Ninety-five Thousand Three Hundred Nineteen Dollars and No Cents ($95,319.00) payable on the rent commencement date (or in an appropriate prorated amount if the rent commencement date is other than the first day of a calendar month) and on the first day of each calendar month thereafter until such determination has been made. If the final computation and determination of the monthly amount of construction rental payable to the Lessee shall result in an amount of construction rental payable for the period prior to final determination which is less than the total amount of interim construction rental theretofore paid, the Lessee shall be entitled to a credit against future construction rental payable equal to such excess.

(c) If the event of cancellation or termination under this Agreement for any reason whatsoever, the Lessee shall pay to the Port Authority, upon the effective date of such cancellation or termination, the unpaid balance of the Total Reimbursement Amount determined in accordance with the provisions of Schedule B attached hereto, and hereby made a part hereof.

(d) Notwithstanding any other provisions of this Agreement, the construction rental shall not be subject to abatement or suspension or reduction for any reason whatsoever, and in the event that the Lessee fails to pay any monthly payment of construction rental in full when due, the entire unpaid balance of the Total Reimbursement Amount shall upon the election of the Port Authority become immediately due and payable without further demand or notice from the Port Authority, the unpaid balance to be determined in

For the Port Authority

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For the Lessee

accordance with Schedule B.

(e) Notwithstanding the obligations of the Lessee to pay the construction rental hereunder as part of the rental obligations of the Lessee hereunder, the Lessee hereby agrees, as a separate and independent covenant, that it shall pay to the Port Authority the amount of the construction rental in full at the times and in the amounts set forth in this Special Endorsement No. 4. It is understood further that the construction rental has not been incorporated in the provisions of Section 19 of this Agreement setting forth the damages of the Port Authority in the event of termination or cancellation of this Agreement or the re-entry, regaining or resumption of possession by the Port Authority as therein set forth. In lieu thereof it is hereby expressly understood and agreed that the provisions of paragraphs (a), (c) and (d) hereof including the Lessee's obligations to pay the entire unpaid balance as stated therein shall be in effect. All the provisions of paragraphs (a), (c) and (d) and of this paragraph (e) shall be deemed to be obligations and covenants of the Lessee separate and independent of the obligation to pay the construction rental under this Agreement. If, however, these provisions are not given full and complete effect by any court of competent jurisdiction, then and at the election of the Port Authority, all unpaid installments of construction rental shall be and be deemed to be a part of the damages of the Port Authority under Section 19 of this Agreement and all of the provisions of said Section 19 shall apply and pertain thereto.

(f) In addition to all the other payments required to be made by the Lessee to the Port Authority hereunder, the Lessee shall pay to the Port Authority a single payment of additional basic rental, the amount of which payment shall be determined by adding the results of the following computations: the amounts of each payment made by the Port Authority to the Lessee as described in paragraph (b) of Special Endorsement No. 3 shall be multiplied by the number of days which shall elapse from the date of such payment to the day before the rent commencement date, and such product shall be further multiplied by .000250.

5. (a) The Lessee shall cause to be designed or

For the Port Authority

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For the Lessee

installed an automatic fire protection sprinkler system in the premises and the Port Authority shall be responsible for the maintenance of said sprinkler system during the term of the letting under this Agreement. The Lessee shall be responsible for making the premises available to the Port Authority for such maintenance work and the Lessee agrees that the Port Authority will not be liable for any inconvenience caused by performance of the maintenance work nor shall there be any diminution or abatement of the rentals payable under this Agreement during the period of performance of the maintenance work. In addition to any other rights of entry reserved to the Port Authority under this Agreement, the Port Authority reserves for itself, its employees, agents, representatives, contractors and subcontractors the right to enter the premises at any time and from time to time in order to perform such maintenance work. The Lessee hereby agrees to pay to the Port Authority for such maintenance work as additional rental an amount equal to the sum of all costs incurred for said maintenance work within ten (10) days after notification of the amount then due whenever and as often as the Port Authority elects to demand payment and notwithstanding that the maintenance work may not have been commenced by the Port Authority or may be incomplete at such times.

(b) Anything contained in this Agreement to the contrary notwithstanding, any failure of the Lessee to pay any periodic installment of the cost of the maintenance work when due may, at the election of the Port Authority, be deemed an event of default under the applicable provisions of Section 16(a) of this Agreement.

(c) It is expressly understood that the costs in full of the maintenance work are hereby incorporated in the provisions of Section 19 of this Agreement setting forth the damages of the Port Authority in the event of termination or cancellation of this Agreement or the re-entry, regaining or resumption of possession by the Port Authority as therein set forth.

6. The Lessee shall, during the period of construction, maintain and pay for a policy of builder's risk

For the Port Authority

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For the Lessee

insurance completed value form, and the Lessee shall, throughout the term of the letting hereunder, maintain and pay for a policy of fire and extended coverage insurance on the distribution building to be constructed by the Lessee pursuant to Standard Endorsement No. L15.1 hereof in an amount equal to the full insurable value thereof by policies containing the usual co-insurance clause. The term "insurable value" as used herein shall mean the cost of the replacement of the building. Notwithstanding anything herein to the contrary, the Port Authority shall at all times be entitled to insurance in an amount sufficient to avoid the effect of co-insurance in the event of partial loss. All the provisions of Paragraph (e) of Standard Endorsement No. L21.1 hereof shall apply to the insurance required by this paragraph as if said insurance had been required by said Standard Endorsement.

7. Without limiting the generality of the foregoing provisions of this Agreement including but not limited to Standard Endorsement No. L24.4 hereof, it is expressly understood that the Lessee, subject to the provisions of Section 11 of the Terms and Conditions, will install the rail switch at the main rail line serving the general area in which the premises are located, and such trackage from said main line to end through the premises as is necessary to serve the distribution building to be constructed by the Lessee pursuant to Standard Endorsement No. L15.1 hereof, which trackage will be at all times part of the realty and owned by the Port Authority.

8. The Lessee shall have the right to make a single assignment of this Agreement to a corporation all the capital stock of which is owned by Samuel Weber and Roy Lebovitz, provided, that in the event of such an assignment the Lessee will remain liable for the performance of all its obligations under this Agreement and the assignment shall not be effective until a form of assignment of lease with assumption and consent has been executed by the Lessee, the assignee and the Port Authority in the form hereto attached, hereby made a part hereof and marked "Exhibit X", and provided, further that the assignment shall be

For the Port Authority

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For the Lessee

null and void if the assignee shall cease to be a corporation all the capital stock of which is owned by Samuel Weber and Roy Lebovitz.

9. In the event that as a result of a casualty, whether or not insured or insurable, the premises are damaged the Lessee shall rebuild the same with due diligence. Proceeds of insurance from coverages secured in accordance with Standard Endorsement No. L21.1 and Special Endorsement 6 hereto shall be made available to the Lessee against the cost of such rebuilding. The procedures for such rebuilding and for making proceeds available to the Lessee shall be the same as for the initial construction and for the Port Authority's payments thereof.

10. Notwithstanding the provisions of Section 25 of the Terms and Conditions, the Lessee may perform its repair and maintenance operations permitted in Area B under subdivision (iii) of Article 4 from time to time through a third party contractor provided that the Lessee shall be fully respsonsible to the Port Authority for the said operations and for all the purposes of this Agreement the acts or omissions of the said contractor, its officers, employees, agents, representatives and persons on the premises with the contractor's consent shall be deemed to be the acts or omissions of the Lessee.

11. Anything to the contrary in this Agreement notwithstanding, the Lessee shall use the open area shown in diagonal hatching on Exhibit A solely as a means of ingress and egress to portions of the premises which are adjacent thereto, and without limiting the generality of any term and provision of this Agreement, the Lessee shall perform in a timely manner removal of snow from the said portion of the premises shown in diagonal hatching.

For the Port Authority

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For the Lessee

SCHEDULE A

(A) For Area A:

3-YEAR PERIOD FROM FOLLOWING ANNIVERSARY OF RENT COMMENCEMENT DATE	MINIMUM ANNUAL RATE
3RD 9/1/89	$ 163,000.00 9/1/89
6TH 9/1/92	201,000.00 9/1/92
9TH 9/1/95	243,000.00 9/1/95
12TH 9/1/98	289,000.00 9/1/98
15TH	589,000.00
18TH	644,000.00
21ST	1,350,000.00
24TH	1,474,000.00
27TH	1,615,000.00
30TH	1,760,000.00
33RD	1,922,000.00
36TH	2,101,000.00
39TH	2,300,000.00

(B) For Area B:

3-YEAR PERIOD FROM FOLLOWING ANNIVERSARY OF RENT COMMENCEMENT DATE	MINIMUM ANNUAL RATE
June 1, 2003	$ 68,088.75
June 1, 2006	74,402.41
June 1, 2009	81,301.52
June 1, 2012	88,840.37
June 1, 2015	97,078.27
June 1, 2018	106,080.03
June 1, 2021	115,916.50
June 1, 2024	126,665.07

Month	Fraction (in decimals) of Total Reimbursement Amount Un
1.00	.998526
2.00	.997041
3.00	.995545
4.00	.994038
5.00	.992519
6.00	.990989
7.00	.989446
8.00	.987893
9.00	.986327
10.00	.984750
11.00	.983160
12.00	.981558
13.00	.979945
14.00	.978319
15.00	.976680
16.00	.975029
17.00	.973366
18.00	.971690
19.00	.970001
20.00	.968299
21.00	.966585
22.00	.964857
23.00	.963116
24.00	.961362
25.00	.959595
26.00	.957814
27.00	.956020
28.00	.954212
29.00	.952390
30.00	.950555
31.00	.948705
32.00	.946841
33.00	.944964
34.00	.943072
35.00	.941165
36.00	.939244
37.00	.937309
38.00	.935358
39.00	.933393
40.00	.931413
41.00	.929418
42.00	.927408
43.00	.925382
44.00	.923341
45.00	.921285
46.00	.919213
47.00	.917125
48.00	.915021
49.00	.912901
50.00	.910765
51.00	.908613

52.00	.906445
53.00	.904260
54.00	.902058
55.00	.899840
56.00	.897605
57.00	.895352
58.00	.893083
59.00	.890796
60.00	.888492
61.00	.886171
62.00	.883832
63.00	.881475
64.00	.879100
65.00	.876707
66.00	.874296
67.00	.871866
68.00	.869418
69.00	.866952
70.00	.864467
71.00	.861962
72.00	.859439
73.00	.856897
74.00	.854335
75.00	.851754
76.00	.849153
77.00	.846532
78.00	.843891
79.00	.841231
80.00	.838550
81.00	.835848
82.00	.833127
83.00	.830384
84.00	.827621
85.00	.824836
86.00	.822031
87.00	.819204
88.00	.816355
89.00	.813485
90.00	.810593
91.00	.807679
92.00	.804743
93.00	.801785
94.00	.798804
95.00	.795801
96.00	.792774
97.00	.789725
98.00	.786652
99.00	.783556
100.00	.780437
101.00	.777293
102.00	.774126
103.00	.770935
104.00	.767720
105.00	.764480
106.00	.761215
107.00	.757926
108.00	.754611
109.00	.751272
110.00	.747907
111.00	.744516
112.00	.741100
113.00	.737657

114.00	.734189
115.00	.730694
116.00	.727172
117.00	.723624
118.00	.720049
119.00	.716446
120.00	.712816
121.00	.709159
122.00	.705473
123.00	.701760
124.00	.698019
125.00	.694249
126.00	.690450
127.00	.686622
128.00	.682766
129.00	.678880
130.00	.674964
131.00	.671019
132.00	.667044
133.00	.663038
134.00	.659002
135.00	.654935
136.00	.650838
137.00	.646709
138.00	.642549
139.00	.638357
140.00	.634133
141.00	.629877
142.00	.625589
143.00	.621268
144.00	.616915
145.00	.612528
146.00	.608108
147.00	.603654
148.00	.599166
149.00	.594645
150.00	.590089
151.00	.585498
152.00	.580872
153.00	.576211
154.00	.571515
155.00	.566783
156.00	.562015
157.00	.557211
158.00	.552370
159.00	.547492
160.00	.542578
161.00	.537626
162.00	.532636
163.00	.527608
164.00	.522542
165.00	.517438
166.00	.512295
167.00	.507112
168.00	.501890
169.00	.496629
170.00	.491327
171.00	.485986
172.00	.480603

173.00	.475180
174.00	.469715
175.00	.464209
176.00	.458661
177.00	.453071
178.00	.447438
179.00	.441762
180.00	.436044
181.00	.430281
182.00	.424475
183.00	.418625
184.00	.412730
185.00	.406791
186.00	.400806
187.00	.394776
188.00	.388700
189.00	.382578
190.00	.376409
191.00	.370193
192.00	.363930
193.00	.357620
194.00	.351261
195.00	.344854
196.00	.338398
197.00	.331893
198.00	.325339
199.00	.318735
200.00	.312081
201.00	.305376
202.00	.298620
203.00	.291813
204.00	.284954
205.00	.278042
206.00	.271079
207.00	.264062
208.00	.256992
209.00	.249868
210.00	.242690
211.00	.235457
212.00	.228170
213.00	.220827
214.00	.213428
215.00	.205973
216.00	.198461
217.00	.190892
218.00	.183265
219.00	.175581

220.00	.167838
221.00	.160036
222.00	.152175
223.00	.144254
224.00	.136273
225.00	.128231
226.00	.120128
227.00	.111963
228.00	.103736
229.00	.095447
230.00	.087095
231.00	.078679
232.00	.070199
233.00	.061654
234.00	.053045
235.00	.044370
236.00	.035630
237.00	.026822
238.00	.017948
239.00	.009006
240.00	0

covering premises at

; and

WHEREAS, the Port Authority is willing to consent to such assignment on certain terms, provisions, covenants and conditions:

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

1. The Assignor does hereby assign, transfer and set over to the Assignee, heirs, executors, administrators and successors, to and their own proper use, benefit and behoof forever, the Lease, to have and to hold the same unto the Assignee heirs, executors, administrators and successors from the day of , 19 , for and during all the rest, residue, and remainder of the term of the letting under the Lease, subject nevertheless to all the terms, provisions, covenants and conditions therein contained; and the Assignor does hereby assign, transfer and set over unto the Assignee heirs, executors, administrators and successors, all right, title and interest of the Assignor in and to a certain deposit (whether of cash or bonds) in the amount of

made by the Assignor with the Port Authority, as security for the performance of the terms, provisions, covenants and conditions of the Lease, but subject to the provisions of the Lease and to any claim or right to the said deposit or any part thereof heretofore or hereafter made or to be made on the part of the Port Authority

2. The Port Authority hereby consents to the foregoing assignment. Notwithstanding anything herein to the contrary, the granting of such consent by the Port Authority shall not be, or be deemed to operate as, a waiver of the requirement for consent (or consents) to each and every subsequent assignment by the Assignee or by any subsequent assignee, nor shall the Assignor be relieved of liability under the terms, provisions, covenants and conditions of the Lease by reason of this consent of the Port Authority or of one or more other consents to one or more other assignments thereof.

3. The Assignor agrees that this assignment of the Lease and this consent of the Port Authority thereto shall not in any way whatsoever affect or impair the liability of the Assignor to perform all the terms, provisions, covenants and conditions, including without limitation thereto the obligation to pay rent, of the Lease on the part of the Lessee or tenant thereunder to be performed, and that the Assignor shall continue fully liable for the performance of all the terms, provisions, covenants and conditions, including without limitation thereto the obligation to pay rent, on the part of the Lessee or tenant thereunder to be performed. The liability of the Assignor as set forth in this paragraph shall remain and continue in full force and effect as to any and every renewal, modification, or extension of the Lease whether in accordance with the terms of the Lease or by a separate or additional document, and notwithstanding any such renewal, modification, or extension, whether or not the Assignor has specifically consented to such renewal, modification, or extension. The liability of the Assignor hereunder shall in no way be affected by the failure of the Port Authority to obtain the Assignor's consent to any such renewal, modification or extension notwithstanding that the Port Authority had previously obtained such consent with respect to a prior renewal, modification, or extension.

4. The Assignee does hereby assume the performance of and does hereby agree to perform all the terms, provisions, covenants and conditions, including without limitation thereto the obligation to pay rent, contained in the Lease, to be performed on the part of the lessee or tenant thereunder, as though the Assignee were the original signatory to the Lease. The execution of this instrument by the Port Authority does not constitute a representation by it that the Assignor has performed or fulfilled every obligation required by the Lease; as to such matters the Assignee agrees to rely solely upon the representation of the Assignor.

5. The liability of the Assignor hereunder shall in no way be affected by:

(a) The release or discharge of the Assignee in any creditors' receivership, bankruptcy or other similar proceeding; or

(b) The impairment, limitation or modification of the liability of the Assignee or its estate in bankruptcy, or of any remedy for the enforcement of the Assignee's said liability under the Lease, resulting from the operation of

any present or future provision of the Bankruptcy Code or any other statute or from the decision of any court having jurisdiction over the Assignee or its estate; or

(c) The rejection or disaffirmance of the Lease in any creditors;, receivership, bankruptcy, or other similar proceeding; or

(d) Any disability or any defense of the Assignee.

6. Neither the Commissioners of the Port Authority nor any of them, nor any officers, agent or employee thereof, shall be charged personally by the Assignor or by the Assignee with any liability or held liable to either of them under any term or provision of this Agreement, or because of its execution, or because of any breach or attempted or alleged breach thereof.

IN WITNESS WHEREOF, the Port Authority, the Assignor and the Assignee have executed these presents as of the date first hereinabove set forth.

ASSIGNOR:

_____

By _____

(Title) _____ President

(Seal)

ATTEST:

_____ Secretary

ASSIGNEE:

_____

By _____

(Title) _____ President

(Seal)

ATTEST:

_____ Secretary

ATTEST:

_____

By _____

(Title) _____ President

(Seal)

_____ Secretary

FORM E — Acknowledgment (N. Y. Corp.) 6/24/72

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

On the day of , 19 , before me came
, to me known, who, being by me duly sworn, did depose and say that he resides at

that he is the of The Port Authority of New York and New Jersey, one of the corporations described in, and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Commissioners of the said corporation; and that he signed his name thereto by like order.

(Notarial Seal and Stamp)

STATE OF)
) ss.
COUNTY OF)

On the day of , 19 , before me personally came

to me known, who being by me duly sworn, did depose and say, that he resides at

that he is the of
one of the corporations described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of the said corporation; and that he signed his name thereto by like order.

(Notarial Seal and Stamp)

STATE OF)
) ss.
COUNTY OF)

On the day of , 19 , before me personally came

to me known, who, being by me duly sworn, did depose and say, that he resides at

that he is the of
one of the corporations described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of the said corporation; and that he signed his name thereto by like order.

(Notarial Seal and Stamp)

MLPF-10672 Ack., NJ.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

On this 2 day of January, 19 86, before me, the subscriber, a notary public of New York, personally appeared the of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF New JERSEY }
COUNTY OF UNION } ss.

On this 18th day of SEPTEMBER, 1985, before me, the subscriber, a notary public of UNION CITY, NJ, personally appeared Roy A. Lebovitz the President of EAST COAST WAREHOUSE & DISTRIBUTION CORP. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1988

STATE OF }
COUNTY OF } ss.

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

FORM E — Assignment, all Facilities
82773

ASSIGNMENT OF LEASE
WITH ASSUMPTION AND CONSENT (Lease No.)

THIS AGREEMENT, made as of by THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority"), a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America, having an office for the transaction of business at One World Trade Center, in the Borough of Manhattan, in the City, County and State of New York, and

(hereinafter called "the Assignor"),
a corporation organized and existing under the laws of the State of
with an office for the transaction of business at

an individual, residing at

a partnership, consisting of

and
(hereinafter called "the Assignee"),
a corporation organized and existing under the laws of the State of
with an office for the transaction of business at

an individual, residing at

a partnership, consisting of

the representative of which is

WITNESSETH, THAT:

WHEREAS, the Assignor desires to assign to the Assignee that certain Agreement of Lease dated as of , 19 , made by and between The Port Authority and the Assignor, and hereinafter, as the same has been heretofore amended and extended, called "the Lease";

MLPF-10672 Ack., N.J.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

On this day of , 19 , before me, the subscriber, a notary public of New York , personally appeared the of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF New Jersey }
COUNTY OF Union } ss.

On this 18th day of September , 1985, before me, the subscriber, a notary public of Union City, N.J , personally appeared Samuel Weber the President of SAFEWAY TRUCKING CORP. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Louise Rita Francis
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1988

STATE OF }
COUNTY OF } ss.

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

Lease No. EP-158
Supplement No. 1

JUL 09 1987

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of May 1, 1987, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. and SAFEWAY TRUCKING CORP. (hereinafter collectively called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985 the Port Authority and the Lessee entered into an Agreement of Lease identified above by Port Authority Lease Number covering premises at Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, in the County of Union and State of New Jersey, as more particularly described in said Agreement of Lease (which Agreement of Lease as the same may have been heretofore supplemented and amended, is hereinafter called "the Lease"); and

WHEREAS, the Port Authority and the Lessee desire to amend the Lease in certain respects;

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

1. In addition to the Rights of User described in Article IV of the Lease, the Lessee shall have the right to use and occupy Area B for the temporary storage of trucking and automotive equipment owned or operated by independant contractors delivering cargo for storage in the building constructed on Area A, and for the temporary storage, incidental to distribution, of passenger vehicles for the account of third parties, including, without limitation, passenger vehicles seized by the U.S. Customs Service.

2. The Lessee shall be fully responsible for insuring that any persons storing trucking and automotive equipment on the premises pursuant to the provisions of paragraph 1 of this Agreement shall observe all of the applicable terms and conditions of the Lease as herein amended and all acts and omissions of such persons shall be deemed acts and omissions of the Lessee and the Lessee and each such person, as the case may be, shall be jointly and severally responsible therefor. The Port Authority and the Lessee hereby agree that neither the execution and delivery of this Agreement nor any act done pursuant thereto

[redacted]

shall create between the Lessee and the Port Authority the relationship of bailor or bailee, the relationship of storer and garagekeeper, or any other relationship except that of lessee and lessor, and the Lessee hereby acknowledges that the Port Authority shall have no responsibility to keep the area guarded, attended or patrolled at any time and the Port Authority has not nor shall it be deemed to have assume any liability, duty or obligation whatsoever, with respect to automotive equipment in the area nor any property of the Lessee or any other person in said automotive equiptment and the Lessee hereby releases the Port Authority of any claims or demands or loss, theft or damage of or to the same.

3. The Lessee shall daily wipe up all oil, gagoline, grease, lubricants and other inflammable liquids and substances and all liquids and substances having a corrosive or detrimental effect on the paving or other surface of the premises or of the means of ingress and egress to and from the premises, which may leak or be spilled or placed thereon. The Lessee shall not itself or permit others thereto to clean, wash, fuel, lubricate or paint any vehicle or vehicles, and shall not store or permit others to store on the premises any automotive fuel or lubricants, oil, greases or other chemicals or supplies, except automobile fuel, oil and other liquids contained in the functional reservoirs of the vehicles parked thereon.

4. Without limiting the generality of Section 7 of the Terms and Conditions of the Agreement, the Lessee shall repair any damage to the paving or other surfaces of the premises, caused by such oil, gasoline, grease, lubricants or other liquids and substances. In the event the Lessee fails to commence to repair within a period of ten (10) days after notice from the Port Authority so to do, or fails diligently to continue to completion such repair, the Port Authority, in addition to other remedies it may have, may at its option repair all or any part of the paving or other surface of the premises and charge the cost thereof to the Lessee pursuant to Section 12 of the Terms and Conditions of this Agreement, which cost the Lessee hereby agrees to pay on demand.

5. As hereby amended, all the terms, provisions, covenants and conditions of the Lease shall continue in full force and effect.

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

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

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) JAMES J. KIRK ~~DIRECTOR, PORT DEPARTMENT~~

ATTEST:

Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title)

ATTEST:

Secretary

SAFEWAY TRUCKING CORP.

By

(Title)

APPROVED:

FORM

TERMS

CSL-61273; Ack. N.J.; Co & Corp.

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

On this 24th day of June, 1987, before me, the subscriber, a notary public of New York, personally appeared JAMES J. KIRK the DIRECTOR, PORT DEPARTMENT of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

Frank Wyspianski Jr.
(notarial seal and stamp)
FRANK WYSPIANSKI, JR.
Notary Public, State of New York
No. 30-9759825
Qualified in Nassau County
Commission Expires April 30, 1988

STATE OF New Jersey)
) ss.
COUNTY OF Union)

On this 2nd day of June, 1987, before me, the subscriber, a Notary Public of State of N.J., personally appeared Roy A Lebowitz the President of East Coast Warehouse & Distribution Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Louise Rita Pirrucch
(notarial seal and stamp)
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1988

STATE OF New Jersey)
) ss.
COUNTY OF Union)

On this 2nd day of June, 1987, before me, the subscriber, a Notary Public of State of NJ, personally appeared Samuel Weber the President of Safeway Trucking Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Louise Rita Pirrucch
(notarial seal and stamp)
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1988

Lease No. EP-158
Supplement No. 2

JUL 09 1987

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of May 1, 1987, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. and SAFEWAY TRUCKING CORP. (hereinafter collectively called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985 the Port Authority and the Lessee entered into an Agreement of Lease identified above by Port Authority Lease Number covering premises at Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, in the County of Union and State of New Jersey, as more particularly described in said Agreement of Lease (which Agreement of Lease as the same may have been heretofore supplemented and amended, is hereinafter called "the Lease"); and

WHEREAS, the Port Authority and the Lessee desire to amend the Lease in certain respects;

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

1. Notwithstanding anything to the contrary contained in the Lease, upon substantial completion of the Lessee's construction work and certification by a responsible officer of the Lessee of the cost thereof in accordance with the provisions of Special Endorsement No. 3 of the Lease, which certification shall also state that (i) there is no outstanding indebtedness known to the persons signing such certificate, after due inquiry, then due on account of the purchase of any equipment or fixtures described in the certificate or for labor, wages, materials, supplies or services in connection with any construction and installation work described therein which, if unpaid, might become the basis of a vendor's, mechanic's laborer's or materialmen statutory or similar lien or alleged lien upon said construction and installation work or upon the premises or any part thereof, or upon the Lessee's leasehold interest therein, nor are any of the equipment, fixtures or improvements described in such certificate secured by any liens, mortgages, security interests or other encumbrances. Nothing contained herein shall be deemed or construed as a submission by the Port Authority to the application to itself of any such lien; and (ii) that the work for which the amount set forth in the certificate is due has been performed in accordance with the Lessee's approved plans and specifications and the provisions of the Lease, the Port Authority shall pay to the Lessee the sum of Nine Hundred Thousand Seven Hundred Forty-two Dollars and No Cents ($900,742.00). Nothing contained herein shall affect the [redacted]

Lessee's obligation to complete the balance of the Lessee's construction work in accordance with the provisions of the Lease, and nothing contained herein shall in any way limit the Port Authority's rights to examine and audit the books and records of the Lessee relating to the cost of the Lessee's construction work.

2. As hereby amended, all the terms, provisions, covenants and conditions of the Lease shall continue in full force and effect.

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

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

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) JAMES J. KIRK DIRECTOR, PORT DEPARTMENT

ATTEST:

Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title) Pres

ATTEST:

Secretary

SAFEWAY TRUCKING CORP.

By

(Title) Pres.

APPROVED:

FORM

TERMS

CSL-61273; Ack. N.J.; Corp. & Corp.

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

On this 24th day of June, 1987, before me, the subscriber, a notary public of New York, personally appeared the JAMES J. KIRK of DIRECTOR, PORT AUTHORITY of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

Frank Wyspianski Jr.
(notarial seal and stamp)
FRANK WYSPIANSKI, JR.
Notary Public, State of New York
No. 30-9759825
Qualified in Nassau County
Commission Expires April 30, 1988

STATE OF NEW JERSEY)
) ss.
COUNTY OF UNION)

On this 29th day of MAY, 1987, before me, the subscriber, an ATTORNEY AT LAW, personally appeared the President ROY LEBOVITZ of East Coast Warehouse & Distribution Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

James E. McKeon
(notarial seal and stamp)
Attorney at Law

STATE OF NEW JERSEY)
) ss.
COUNTY OF UNION)

On this 29th day of MAY, 1987, before me, the subscriber, an ATTORNEY AT LAW, personally appeared the President SAMUEL WEBER of Safeway Trucking Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

James E. McKeon
(notarial seal and stamp)
Attorney at Law

Lease No. EP-158
Supplement No. 3

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of May 1, 1987, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. and SAFEWAY TRUCKING CORP. (hereinafter collectively called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985 the Port Authority and the Lessee entered into an Agreement of Lease identified above by Port Authority Lease Number covering premises at Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, in the County of Union and State of New Jersey, as more particularly described in said Agreement of Lease (which Agreement of Lease as the same may have been heretofore supplemented and amended, is hereinafter called "the Lease"); and

WHEREAS, the Port Authority and the Lessee desire to amend the Lease in certain respects;

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

1. Effective from and after May 1, 1987, there shall be deemed added to the end of the first sentence of paragraph (b) of Standard Endorsement No. L15.1 of the Lease to read as follows:

"and the installation of rail switch and rail track as described in Special Endorsement No. 7 of the Lease."

2. Effective from and after May 1, 1987, the phrase "nor the installation of rail switch and rail track as described in Special Endorsement No. 7 of this Agreement." appearing at the end of the second sentence on lines 9, 10 and 11 in paragraph (b) of Standard Endorsement No. L15.1 of the Lease shall be deemed deleted.

3. As hereby amended, all the terms, provisions, covenants and conditions of the Lease shall continue in full force and effect.

[redacted]

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

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

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) JAMES J. KIRK DIRECTOR, PORT DEPARTMENT

ATTEST:

Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title) Pres

ATTEST:

Secretary

SAFEWAY TRUCKING CORP.

By

(Title) Pres.

APPROVED:

FORM

TERMS

CSL-61273; Ack. N.J.; Corp. & Corp.

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

On this 24th day of August, 1987, before me, the subscriber, a notary public of New York, personally appeared the JAMES J. KIRK DIRECTOR, PORT DEPARTMENT of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

Frank Wyspianski Jr.
(notarial seal and stamp)
FRANK WYSPIANSKI, JR.
Notary Public, State of New York
No. 30-9759825
Qualified in Nassau County
Commission Expires April 30, 1988

STATE OF New Jersey)
) ss.
COUNTY OF Union)

On this 7th day of August, 1987, before me, the subscriber, a Notary Public of N.J., personally appeared Roy A. Lebovitz the President of East Coast Warehouse & Distribution Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Louise Rita Pucciarelli
(notarial seal and stamp)
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1988

STATE OF New Jersey)
) ss.
COUNTY OF Union)

On this 7th day of August, 1987, before me, the subscriber, a Notary Public of NJ, personally appeared Samuel Weber the President of Safeway Trucking Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Louise Rita Pucciarelli
(notarial seal and stamp)
NOTARY PUBLIC OF NEW JERSEY

Lease No. EP-158
Supplement No. 4

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of June 19, 1989, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. and SAFEWAY TRUCKING CORP. (hereinafter collectively called "the Lessee"),

WITNESSETH, that:

WHEREAS, heretofore and as of September 3, 1985 the Port Authority and the Lessee entered into an Agreement of Lease identified above by Port Authority Lease number covering premises at Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, in the County of Union and State of New Jersey, as more particularly described in said Agreement of Lease (which Agreement of Lease as the same may have been heretofore supplemented and amended, is hereinafter called "the Lease"); and

WHEREAS, the Port Authority and the Lessee desire to amend the Lease in certain respects;

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

1. The words and figure "Twelve Thousand Seven Hundred Sixteen Dollars and Fifty Cents ($12,716.50)" appearing in Special Endorsement No. 2(e)(a) of the Lease, shall be deemed deleted and the words and figure "Ten Thousand Nine Hundred Twenty-four Dollars and Ninety Cents ($10,924.90)" shall be deemed inserted in lieu thereof.

2. Effective from and after June 19, 1989, Special Endorsement No. 2(e)(b) shall be deemed deleted in its entirety and the following shall be deemed substituted in lieu thereof:

"(b) The Lessee shall pay to the Port Authority a basic rental for Area B during the period of the letting commencing on June 1, 2000, as follows:

[redacted]

(i) During the three-year period commencing June 1, 2000 at the annual rate of Fifty-three Thousand Five Hundred Thirty-two Dollars and One Cents ($53,532.01); and

(ii) For each three-year period commencing on June 1, 2003, June 1, 2006, June 1, 2009, June 1, 2012, June 1, 2015, June 1, 2018, June 1, 2021, and June 1, 2024, the annual basic rental rate for Area B shall be Fifty-three Thousand Five Hundred Thirty-two Dollars and One Cents ($53,532.01) increased by one-half (1/2) of the percentage increase in the Consumer Price Index published by the United States Government for the calendar month immediately preceding the commencement date of one of the said three year periods for which the increase is being computed, over the Consumer Price Index published for May, 2000."

3. Effective from and after June 19, 1989, Section (B) of Schedule A attached to the Lease shall be deemed deleted in its entirety and the following shall be deemed substituted in lieu thereof:

"(B) For Area B:

3-YEAR PERIOD FROM FOLLOWING ANNIVERSARY OF RENT COMMENCEMENT DATE	MINIMUM ANNUAL RATE
JUNE 1, 2003	$ 58,495.87
JUNE 1, 2006	63,920.01
JUNE 1, 2009	69,847.12
JUNE 1, 2012	76,323.83
JUNE 1, 2015	83,401.10
JUNE 1, 2018	91,134.63
JUNE 1, 2021	99,585.27
JUNE 1, 2024	108,819.51 "

4. Within Thirty (30) days of the execution of this Agreement by the Lessee and delivery thereof to the Port Authority, the Port Authority shall pay to the Lessee the sum of Four Thousand Seven Hundred Seventy-seven Dollars and Sixty Cents ($4,777.60).

5. (a) The policy of comprehensive general liability insurance required by Standard Endorsement No. L21.1 attached to the Lease (i) shall not exclude coverage for work performed within fifty feet (50 ft.) of railroad property, (ii) shall include coverage for Warehouseman's Legal Liability in the amount

of $2,000,000.00, (iii) shall include a contractual liability endorsement covering the Lessee's indemnity obligations under the Lease as herein amended, and (iv) shall name the Port Authority as an additional insured. As of June 19, 1989 each policy of insurance required by Standard Endorsement No. L21.1 annexed to the Lease as herein amended shall contain a provision that the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, and each such policy of insurance shall provide or contain an endorsement providing that the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person shall pertain and apply with like effect with respect to any claims or action against the Lessee by the Port Authority and against the Port Authority by the Lessee, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured.

(b) A certified copy of each policy or policies or a certificate or certificates evidencing compliance with the terms and the minimum insurance limits set forth above, and in compliance with the terms and provisions of the Lease as herein amended, shall be delivered to the Port Authority on or before the commencement of this Agreement. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or certificate.

6. As hereby amended, all the terms, provisions, covenants and conditions of the Lease shall continue in full force and effect.

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

8. This Supplemental Agreement, together with the Lease (to which it is supplementary) constitutes the entire agreement between the Port Authority and the Lessee on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the Lessee. The Lessee agrees

that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in the Lease or in this Supplemental Agreement.

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By 8/2/89
LILLIAN C. LIBURDI
for (Title) DIRECTOR, PORT DEPARTMENT
(seal)

ATTEST:

Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title) President
(seal)

ATTEST:

Secretary

SAFEWAY TRUCKING CORP.

By

(Title) President
(seal)

APPROVED:

FORM	TERMS

SL-61273; Ack. N.J.: Corp. of Corp.

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

On this 2nd day of August, 1989, before me, the subscriber, a notary public of New York, personally appeared Frank Caggiano the Asst Director of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Commissioners.

Frank Wyspianski Jr.
(notarial seal and stamp)

FRANK WYSPIANSKI, JR.
NOTARY PUBLIC, State of New York
No. 9759825
Qualified in Suffolk County
Commission Expires April 30, 1990

STATE OF New Jersey)
) ss.
COUNTY OF Union)

On this 5th day of July, 1989, before me, the subscriber, a , personally appeared Roy A. Hebert the President of East Coast Warehouse & Distribution Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Louise Rita Pirrucch
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1993

STATE OF New Jersey)
) ss.
COUNTY OF Union)

On this 5th day of July, 1989, before me, the subscriber, a , personally appeared Samuel Weber the President of Safeway Trucking Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation made by virtue of the authority of its Board of Directors.

Louise Rita Pirrucch
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1993

Port Authority Lease No. EP-158
Supplement No. 5

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated as of December 1, 1989, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. and SAFEWAY TRUCKING CORPORATION (hereinafter collectively called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985 the Port Authority and the Lessee entered into an agreement of lease (which agreement of lease, as the same has been heretofore supplemented and amended, is hereinafter called "the Lease"), covering premises at Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, County of Union and State of New Jersey, all as more particularly described in the Lease; and

WHEREAS, the Port Authority and the Lessee desire to substitute new premises under the Lease in place of a portion of the premises as shown in stipple on the sketch attached hereto, hereby made a part hereof and marked "Exhibit A-2" which a portion of the premises shown on Exhibit A attached to the Lease, and to amend the Lease in certain other respects as hereinafter provided;

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, the Port Authority and the Lessee hereby agree, effective as of the date set forth herein, as follows:

1. (a) In addition to the premises heretofore let to the Lessee under the Lease, the letting as to which shall continue in full force and effect, subject to and in accordance with all the terms, provisions, covenants and conditions of the Lease as amended by this Agreement, the Port Authority hereby lets to the Lessee and the Lessee hires and takes from the Port Authority, at Elizabeth-Port Authority Marine Terminal, the open area shown in stipple on the sketch attached hereto, hereby made a part of the Lease as herein amended and marked "Exhibit A-3", together with the structures, fixtures, improvements and other property, if any, of the Port Authority located therein or thereon (all of which is sometimes hereinafter called "Additional Premises A-3") to be and become a part of the premises under the Lease as herein amended on April 1, 1990, subject to postponement (which date is hereinafter called "Additional Commencement Date A-3") let to the Lessee, subject to and in accordance with all of

[redacted]

the terms, covenants and conditions of the Lease as herein amended for and during the balance of the term of the letting under the Lease as herein amended, unless sooner terminated. The parties hereby acknowledge that Additional Premises A-3, as well as the premises heretofore covered by the Lease, constitute non-residential real property.

(b) If on Additional Commencement Date A-3 fixed in subparagraph (a) of this paragraph the Substitute Premises are not available or ready for occupancy or use by the Lessee by reason of the fact that Additional Premises A-3, or any part thereof, or any part of the Facility, are in the course of construction, repair, alteration or improvement or by reason of the fact that the occupant of Additional Premises A-3, or a part thereof, failed or refused to deliver possession, or by reason of any causes or conditions beyond the control of the Port Authority, the Port Authority may postpone the letting of Additional Premises A-3, and the Port Authority shall not be subject to any liability for such postponement or failure to give possession of Additional Premises A-3 upon such date. No such postponement or failure to give possession of any portion of Additional Premises A-3 on Additional Commencement Date A-3 shall affect the validity of the Lease as herein amended or the obligations of the Lessee under the Lease as herein amended. However, rental as to Additional Premises A-3 shall not commence until possession thereof is tendered by the Port Authority to the Lessee; tender shall be made by notice given at least five (5) days prior to the effective date of the tender, but no such postponement of Additional Commencement Date A-3 shall affect the expiration date of the letting of Additional Premises A-3 under the Lease as herein amended. In the event that notice of tender of Additional Premises A-3 is not given for possession thereof to commence on or before one hundred eighty-five (185) days after Additional Commencement Date A-3 fixed in subparagraph (a) of this paragraph, then the letting of Additional Premises A-3 under the Lease as herein amended shall be deemed cancelled, except that each party does release and discharge the other from any and all claims and demands in any way related to the letting thereof based on the Lease as herein amended, or a breach or alleged breach thereof. Cancellation of the letting of Additional Premises A-3 shall not affect the letting of the balance of the premises under the Lease as herein amended, and the letting thereunder as to the balance of the premises shall continue in full force and effect notwithstanding such cancellation.

2. The Lessee shall use Additional Premises A-3 solely for the purposes set forth in Article IV of the Lease and for no other purpose or purposes whatsoever.

3. As an undertaking collateral to the letting of Additional Premises A-3 under the Lease as herein amended and subject to all the provisions of the Lease as herein amended, (including but not limited to the Section of the Lease entitled "Force Majeure"), the Port Authority, through its employees, agents, representatives, contractors and subcontractors shall cause Additional Premises A-3 to be paved and fenced. Except as specifically provided in this Agreement, the Port Authority shall not provide any improvements or perform any work in Additional Premises A-3 to prepare Additional Premises A-3 for the Lessee's use. In addition to any other rights of entry reserved to the Port Authority under the Lease as herein amended, the Port Authority reserves for itself, its employees, agents, representatives, contractors and subcontractors the right to enter Additional Premises A-3 at any time and from time to time in order to perform work hereunder.

4. The Lessee acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of Additional Premises A-3 for the operations permitted thereon by the Lease as herein amended. Without limiting any obligation of the Lessee to commence operations under the Lease as herein amended at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of Additional Premises A-3 will be used initially or at any time during the term of the letting thereof which is in a condition unsafe or improper for the conduct of the Lessee's operations therein under the Lease as herein amended so that there is possibility of injury or damage to life or property and the Lessee further agrees that before any use of it will immediately correct any such safe or improper condition.

5. (a) The Lessee shall pay a basic rental for Additional Premises A-3 at the annual rate of One Thousand Two Hundred Eighty-three Dollars and Thirty Cents ($1,283.30) for the period commencing on Additional Commencement Date A-3 and expiring on May 31, 2000, both dates inclusive, payable in advance in equal monthly installments of One Hundred Six Dollars and Ninety-four Cents ($106.94) on Additional Commencement Date A-3 and on the first day of each calendar month thereafter during such period, and at the annual rate of Six Thousand Two Hundred Eighty-eight Dollars and Seventeen Cents ($6,288.17) for the period commencing on June 1, 2000 and continuing to the expiration date of the term of the letting of Additional Premises A-3 under the Lease as herein amended, both dates inclusive, payable in advance in equal monthly installments of Five Hundred Twenty-four Dollars and One Cent ($524.01) on June 1, 2000 and on the first day of each calendar month thereafter during such period <u>provided</u>, <u>however</u>, that if Additional Commencement Date A-3 shall occur on a day other than the

first day of the month, the installment of basic rental payable on Additional Commencement Date A-3 shall be computed by multiplying the amount of the installment of basic rental set forth in this paragraph by a fraction the numerator of which is the number of days from Additional Commencement Date A-3 to the last day of the calendar month in which Additional Commencement Date A-3 shall occur, both dates inclusive, and the denominator of which shall be the full number of days in that calendar month. During the period from June 1, 2003 and continuing through the balance of the term of the letting under the Lease as herein amended, the basic rental for Additional Premises A-3 set forth in this paragraph shall be adjusted during the term of the letting under the Lease as herein amended in accordance with the provisions of subparagraph (c) of this paragraph.

(b) As used in subparagraph (c) of this paragraph:

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

(2) "Base Period" shall mean the calendar month of June, 2000.

(3) "Adjustment Period" shall mean, as the context requires, the calendar month of May, 2003 and the calendar month of May in every third year thereafter occurring during the term of the letting of Additional Premises A-3 under the Lease as herein amended.

(4) "Anniversary Date" shall mean, as the context requires, June 1, 2003 and every third anniversary of such date thereafter occurring during the term of the letting of Additional Premises A-3 under the Lease as herein amended.

(5) "Percentage Increase" shall mean the percentage of increase in the Index on each Anniversary Date equal to a fraction the numerator of which shall be the Index for the Adjustment Period immediately preceding such Anniversary Date less the Index for the Base Period and the denominator of which shall be the Index for the Base Period.

(c) Commencing on each Anniversary Date and for the period from such Anniversary Date through the day preceding the next Anniversary Date, or the expiration date of the term of the letting of Additional Premises A-3 under the Lease as herein amended, both

dates inclusive, in lieu of the basic rental set forth in subparagraph (a) of this paragraph the Lessee shall pay a basic rental for Additional Premises A-3 at a rate per annum equal to the greater of:

(1) The sum obtained by adding the basic rental for Additional Premises A-3 payable immediately prior to such Anniversary Date (but excluding therefrom any amount included therein as a result of prior adjustment thereof pursuant to the provisions of this subparagraph) to the product obtained by multiplying the basic rental payable immediately prior to such Anniversary Date (but excluding therefrom any amount included therein as a result of prior adjustments thereof pursuant to the provisions of this subparagraph) by one-half (1/2) of the Percentage Increase for such Anniversary Date, or

(2) The amount set forth in the schedule attached hereto, made a part hereof, and marked "Schedule C" opposite the respective Anniversary Date.

(d) In the event the Index to be used in computing the basic rental is not available on the date any rental payment is due, the Lessee shall continue to pay basic rental for Additional Premises A-3 at the monthly rate then in effect subject to retroactive adjustment at such time as the specified Index becomes available, provided, however, that the Port Authority may at its option substitute for such Index the Index for the latest preceding month then published to constitute the specified Index. In the event the United States Consumer Price Index for All Urban Consumers--New York--Northern, New Jersey--Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100) shall hereafter be converted to a different standard reference base or otherwise revised or the United States Department of Labor shall cease to publish the United States Consumer Price Index for All Urban Consumers--New York--Northern, New Jersey--Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100), then for the purposes hereof there shall be substituted for the Index such other appropriate index or indices properly reflecting changes in the value of current United States money in a manner similar to that established in the Index used in the latest adjustment as the Port Authority may in its discretion determine.

If after the basic rental for Additional Premises A-3 shall have been fixed for any period, the Index used for computing such basic rental shall be changed or adjusted, then the basic rental for Additional Premises A-3 for that period shall be recomputed and from and after notification of such change or adjustment, the Lessee shall make payments based upon the recomputed basic rental and upon demand shall pay any excess in the basic

rental for Additional Premises A-3 due for such period as recomputed over amounts theretofore actually paid on account of the basic rental for the Additional Premises A-3 for such period. If such change or adjustment results in a reduction in the basic rental for Additional Premises A-3 due for any period prior to notification, the Port Authority will credit the Lessee with the difference between the basic rental for Additional Premises A-3 as recomputed for that period and amounts of such basic rental actually paid.

6. Effective as of 11:59 o'clock P.M. on the day preceding the Additional Commencement Date A-3 , (which date and hour are hereinafter referred to as "the Surrender Date"), the Lessee hereby surrenders and yields up and does by these presents grant, bargain, sell, surrender and yield up unto the Port Authority, its successors and assigns, forever, the portion of the premises shown in stipple on Exhibit A-2 attached to this Agreement (which portion of the premises is hereinafter referred to as "the Surrendered Premises") and the term of years with respect thereto under the Lease as herein amended yet to come and has given, granted and surrendered and by these presents does give, grant and surrender to the Port Authority, its successors and assigns, all the rights, rights of renewal, licenses, privileges and options of the Lessee granted by the Lease as herein amended and extended with respect to the Surrendered Premises, all to the intent and purpose that the said term under the Lease as herein amended and the said rights of renewal, licenses, privileges and options may be wholly merged, extinguished and determined on the Surrender Date, with the same force and effect as if the said term were in and by the provisions of the Lease as herein amended originally fixed to expire on such date.

7. The Lessee hereby covenants on behalf of itself, its successors and assigns that (a) it has not done or suffered and will not do or suffer anything whereby the Surrendered Premises, or the Lessee's leasehold therein, has been or shall be encumbered, as of the effective date in any way whatsoever; (b) the Lessee is and will remain until the effective date the sole and absolute owner of the leasehold estate in the Surrendered Premises and of the rights, rights of renewal, licenses, privileges and options granted by the Lease as herein amended with respect thereto and that the same are and will remain until the Surrender Date free and clear of all licenses and encumbrances of whatsoever nature; and (c) the Lessee has full right and power to make this Agreement.

8. All promises, covenants, agreements and obligations of the Lessee with respect to the Surrendered Premises, under the Lease as herein amended or otherwise, which under the provisions thereof would have matured upon the date originally fixed in the Lease as herein amended for the expiration of the term thereof, or upon the termination of the Lease prior to the said date, or within a stated

period after expiration or termination, shall notwithstanding such provisions mature upon the Surrender Date and shall survive the execution and delivery of this Agreement.

9. The Lessee hereby releases and discharges and does by these presents release and discharge the Port Authority from any and all obligations of every kind, past, present or future on the part of the Port Authority to be performed under the Lease as herein amended with respect to the Surrendered Premises. The Port Authority does by these presents release and discharge the Lessee from any and all obligations on the part of the Lessee to be performed under the Lease as herein amended with respect to the Surrendered Premises for that portion of the term subsequent to the Surrender Date; it being understood that nothing herein contained shall release, relieve or discharge the Lessee from any liability for rentals or for other charges that may be due or become due to the Port Authority for the Surrendered Premises for any period or periods prior to the Surrender Date, or for breach of any other obligation on the Lessee's part to be performed under the Lease as herein amended with respect to the Surrendered Premises for or during such period or periods or maturing pursuant to Paragraph 8 above, nor shall anything herein be deemed to release the Lessee of any liability for rentals or other charges that may be due or become due to the Port Authority for any other portion of the premises or for breach of any other obligation on the Lessee's part to be performed under the Lease as herein amended.

10. In consideration of the making of this Agreement by the Port Authority and the above described release, the Lessee hereby agrees to terminate its occupancy of the Surrendered Premises and to deliver actual, physical possession of the Surrendered Premises to the Port Authority, on or before the Surrender Date, in the condition required by the Lease as herein amended upon surrender. The Lessee further agrees that it shall remove from the Surrendered Premises prior to the Surrender Date, all equipment, inventories, removable fixtures and other personal property of the Lessee or for which the Lessee is responsible. With respect to any such property not so removed, the Port Authority may at its option as agent for the Lessee and at the risk and expense of the Lessee remove such property to a public warehouse or may retain the same in its own possession and in either event, after the expiration of thirty (30) days may sell or consent to the sale of the same at public auction, the proceeds of any such sale shall be applied first to the expenses of removal, sale and storage, and second to any sums owed by the Lessee to the Port Authority; any balance remaining, shall be paid to the Lessee. The Lessee shall pay to the Port Authority any excess of the total cost of removal, storage and sale over the proceeds of sale.

11. (a) Effective from and after the Surrender Date the words and figure "Ten Thousand Nine Hundred Twenty-four Dollars and Ninety Cents ($10,924.90)" appearing in Special Endorsement No. 2(e)(a) of the Lease, shall be deemed deleted and the words and figure "Nine Thousand Six Hundred Forty-one Dollars and Sixty Cents ($9,641.60)" shall be deemed inserted in lieu thereof.

(b) Effective from and after the Surrender Date, Special Endorsement No. 2(e)(b) shall be deemed deleted in its entirety and the following shall be deemed substituted in lieu thereof:

"(b) The Lessee shall pay to the Port Authority a basic rental for Area B during the period of the letting commencing on June 1, 2000, as follows:

(i) During the three-year period commencing June 1, 2000 at the annual rate of Forty-seven Thousand Two Hundred Forty-three Dollars and Eighty-four Cents ($47,243.84); and

(ii) For each three-year period commencing on June 1, 2003, June 1, 2006, June 1, 2009, June 1, 2012, June 1, 2015, June 1, 2018, June 1, 2021, and June 1, 2024, the annual basic rental rate for Area B shall be Forty-seven Thousand Two Hundred Forty-three Dollars and Eighty-four Cents ($47,243.84) increased by one-half (1/2) of the percentage increase in the Consumer Price Index published by the United States Government for the calendar month immediately preceding the commencement date of one of the said three year periods for which the increase is being computed, over the Consumer Price Index published for May, 2000."

(c) Effective from and after the Surrender Date, Section (B) of Schedule A attached to the Lease shall be deemed deleted in its entirety and the following shall be deemed substituted in lieu thereof:

"(B) For Area B:

3-YEAR PERIOD FROM FOLLOWING ANNIVERSARY OF RENT COMMENCEMENT DATE	MINIMUM ANNUAL RATE
JUNE 1, 2003	$51,624.62
JUNE 1, 2006	$56,411.61
JUNE 1, 2009	$61,642.49
JUNE 1, 2012	$67,358.41
JUNE 1, 2015	$73,604.35
JUNE 1, 2018	$80,429.46
JUNE 1, 2021	$87,887.44
JUNE 1, 2024	$96,036.98

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

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

14. As hereby amended, all the terms, covenants, provisions, conditions and agreements of the Lease shall be and remain in full force and effect.

15. This Supplementary Agreement and the Lease which it amends constitutes the entire agreement between the Port Authority and the Lessee on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the Lessee. The Lessee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in the Lease or this Supplemental Agreement.

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

ATTEST:

SECRETARY

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By 4/22/91
for LILLIAN C. LIBURDI
(Title) DIRECTOR, PORT DEPARTMENT

ATTEST:

Asst. Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title) President
(Corporate Seal)

ATTEST:

Asst. Secretary

SAFEWAY TRUCKING CORPORATION

By

(Title) President
(Corporate Seal)

APPROVED:
FORM TERMS

SCHEDULE C

DATE	AMOUNT
June 1, 2003	$6,871.25
June 1, 2006	$7,508.40
June 1, 2009	$8,204.63
June 1, 2012	$8,965.43
June 1, 2015	$9,796.76
June 1, 2018	$10,705.19
June 1, 2021	$11,697.84
June 1, 2024	$12,782.55

SCHEDULE D

DATE	AMOUNT
January 1, 1993	$1,927.79
January 1, 1996	$2,106.55
January 1, 1999	$2,301.88
January 1, 2002	$2,515.33
January 1, 2005	$2,748.57
January 1, 2008	$3,003.43
January 1, 2011	$3,281.93
January 1, 2014	$3,586.25
January 1, 2017	$3,918.80
January 1, 2020	$4,282.17
January 1, 2023	$4,679.25
January 1, 2026	$5,113.14

(a) If at any time the Lessee shall become entitled to an abatement of basic rental under the provisions of this Agreement or otherwise, such abatement shall be computed as follows:

(1) For each square foot of usable open area the use of which is denied to the Lessee, at the annual rate of $ 0.655 *

(2) For each square foot of usable covered area the use of which is denied to the Lessee, at the annual rate of $ N/A

(b) If no rates are filled in above then the abatement of basic rental shall be made on an equitable basis, giving effect to the amount and character of the area the use of which is denied the Lessee, as compared with the entire area of such character included in the premises.

(c) If an exemption amount is fixed in this Agreement, it shall be reduced in the same proportion as the total basic rental is abated.

(d) For the purposes of this Endorsement, the number of square feet of covered area shall be computed as follows: by measuring from the inside surface of outer building walls to the surface of the public area side, or of the non-exclusive area side, as the case may require, of all partitions separating the area measured from adjoining areas designated for the use of the public or for use by the Lessee in common with others, and to the center of partitions separating the area measured from adjoining area exclusively used by others; no deduction will be made for columns, partitions, pilasters or projections necessary to the building and contained within the area measured. Permanent partitions enclosing elevator shafts, stairs, fire towers, vents, pipe shafts, meter closets, flues, stacks and any vertical shafts have the same relation to the area measured as do outer building walls.

(e) In the event that during the term of the letting under this Agreement the Lessee shall be partially evicted (actually or constructively) and shall remain in possession of the premises or the balance thereof, the Lessee agrees that notwithstanding it might have the right to suspend payment of the rent in the absence of this provision, it will pay at the times and in the manner herein provided, the full basic rental less only an abatement thereof computed in accordance with the above.

* The rates thereafter to be adjusted during the term of the letting of Additional Premises A-3 proportionately to the adjustment in basic rental in accordance with the provisions of paragraph 5 of this Agreement.

Standard Endorsement No. L 27.4

Abatement

All Marine Terminals

10/6/68

MLPF-10572 Ach., N.J.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

On this day of , 19 90 before me, the subscriber, a notary public of New York , personally appeared the of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF NJ }
COUNTY OF UNION } ss.

On this 22ND day of MARCH , 19~~90~~ 91, before me, the subscriber, a notary public of NEW JERSEY , personally appeared ROY A. LEBOVITZ the President of EAST COAST WAREHOUSE & DISTRIBUTION CORP. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Louise Rita Lucci

(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1993

STATE OF }
COUNTY OF } ss.

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

MLPF-10672 Ach., N.J.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

On this 22ND day of April, 19~~90~~ 91 before me, the subscriber, a notary public of New York personally appeared Frank Caggiano the ASSISTANT DIRECTOR PORT DEPARTMENT of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

FRANK WYSPIANSKI JR.
NOTARY PUBLIC, State of New York
No. 9759825
Qualified in Suffolk County
Commission Expires April 30, 1992

STATE OF N. J
COUNTY OF UNION } ss.

On this 22ND day of MARCH, 19~~90~~ 91, before me, the subscriber, a notary public of NEW JERSEY, personally appeared the PRESIDENT of SAFEWAY TRUCKING CORPORATION President of ROY A. LEBOVITZ who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Louise Rita Pucciarelli
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1993

STATE OF }
COUNTY OF } ss.

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

Port Authority Lease No. EP-158
Supplement No. 6

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated as of December 2, 1989, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. and SAFEWAY TRUCKING CORPORATION (hereinafter collectively called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985 the Port Authority and the Lessee entered into an agreement of lease (which agreement of lease, as the same has been heretofore supplemented and amended, is hereinafter called "the Lease"), covering premises at Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, County of Union and State of New Jersey, all as more particularly described in the Lease; and

WHEREAS, the Port Authority and the Lessee desire to add to the premises and to amend the Lease in certain other respects as hereinafter provided;

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, the Port Authority and the Lessee hereby agree, effective as of the date set forth herein, as follows:

1. In addition to the premises heretofore let to the Lessee under the Lease, the letting as to which shall continue in full force and effect, subject to and in accordance with all the terms, provisions, covenants and conditions of the Lease as amended by this Agreement, the Port Authority hereby lets to the Lessee and the Lessee hires and takes from the Port Authority, at Elizabeth-Port Authority Marine Terminal, the open area shown in stipple and the area shown in diagonal cross-hatching on the sketch attached hereto, hereby made a part of the Lease as herein amended and marked "Exhibit A-4", together with the structures, fixtures, improvements and other property, if any, of the Port Authority located therein or thereon (all of which is sometimes hereinafter called "Additional Premises A-4") to be and become a part of the premises under the Lease as herein amended upon the execution of this Agreement by the Lessee and the Port Authority and the delivery to the Lessee of a fully executed copy thereof (which date is hereinafter called "Additional Commencement Date A-4") let to the Lessee, subject to and in accordance with all of the terms, covenants and conditions of the Lease as herein amended for and during the balance of the term of the letting

[redacted]

under the Lease as herein amended, unless sooner terminated. The parties hereby acknowledge that Additional Premises A-4 constitutes non-residential real property.

2. The Lessee shall use Additional Premises A-4 solely for the purposes set forth in Article IV of the Lease and for no other purpose or purposes whatsoever.

3. The Port Authority shall deliver Additional Premises A-4 to the Lessee in its presently existing "as is" condition. The Lessee acknowledges that prior to the execution of this Agreement, it has thoroughly examined and inspected Additional Premises A-4 and had found it in good order and repair and has determined it to be suitable for the Lessee's operations therein under the Lease as herein amended. The Lessee agrees to and shall take Additional Premises A-4 in its "as is" condition and the Port Authority shall have no obligations under the Lease as herein amended for finishing work or preparation of any portion of Additional Premises A-4 for the Lessee's use and the Lessee further agrees that before any use it will immediately correct any such unsafe or improper condition.

4. The Lessee acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of Additional Premises A-4 for the operations permitted thereon by the Lease as herein amended. Without limiting any obligation of the Lessee to commence operations under the Lease as herein amended at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of Additional Premises A-4 will be used initially or at any time during the letting which is in a condition unsafe or improper for the conduct of the Lessee's operations therein under the Lease as herein amended so that there is possibility of injury or damage to life or property.

5. (a) As used herein the term "Area A-4 Rental Payment Start Date" shall mean the earlier of:

(1) January 1, 1990; or

(2) such earlier date that the Lessee makes use of Additional Premises A-4 for any purpose set forth in paragraph 2 of this Agreement.

(b) In addition to all other rentals payable under the Lease as herein amended, the Lessee shall pay a basic rental under the Lease as herein amended for Additional Premises A-4 at the annual rate of One Thousand Seven Hundred Sixty-four Dollars and Twenty Cents ($1,764.20) payable in advance in equal monthly

installments in the sum of One Hundred Forty-seven Dollars and Two Cents ($147.02) on the Area A-4 Rental Payment Start Date and on the first day of each calendar month thereafter during the term of the letting of Additional Premises A-4 under the Lease as herein amended. If the Area A-4 Rental Payment Start Date shall occur on a day which is other than the first day of a calendar month, the installment of basic rental payable on the Area A-4 Rental Payment Start Date shall be computed by multiplying the amount of the installment of basic rental set forth in subparagraph (b) of this paragraph by a fraction the numerator of which is the number of days from the Area A-4 Rental Payment Start Date to the last day of the calendar month in which the Area A-4 Rental Payment Start Date shall occur, both dates inclusive, and the denominator of which shall be the full number of days in that calendar month.

6. (a) The basic rental for Additional Premises A-4 set forth in paragraph 5 hereof shall be adjusted during the term of the letting under the Lease as herein amended in accordance with the provisions of subparagraph (c) of this paragraph.

(b) As used in subparagraph (c) of this paragraph:

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

(2) "Base Period" shall mean the calendar month of December, 1989.

(3) "Adjustment Period" shall mean, as the context requires, the calendar month of December 1992 and the calendar month of December in every third year thereafter occurring during the term of the letting of Additional Premises A-4 under the Lease as herein amended.

(4) "Anniversary Date" shall mean, as the context requires, January 1, 1993 and every third anniversary of such date thereafter occurring during the term of the letting of Additional Premises A-4 under the Lease as herein amended.

(5) "Percentage Increase" shall mean the percentage of increase in the Index on each Anniversary Date equal to a fraction the numerator of which shall be the Index for the Adjustment Period immediately preceding such Anniversary Date less the Index for the

Base Period and the denominator of which shall be the Index for the Base Period.

(c) Commencing on each Anniversary Date and for the period from such Anniversary Date through the day preceding the next Anniversary Date, or the expiration date of the term of the letting of Additional Premises A-4 under the Lease as herein amended, both dates inclusive, in lieu of the basic rental set forth in paragraph 5 of this Agreement the Lessee shall pay a basic rental for Additional Premises A-4 at a rate per annum equal to the greater of:

(1) The sum obtained by adding the basic rental for Additional Premises A-4 payable immediately prior to such Anniversary Date (but excluding therefrom any amount included therein as a result of prior adjustments thereof pursuant to the provisions of this subparagraph) to the product obtained by multiplying the basic rental payable immediately prior to such Anniversary Date (but excluding therefrom any amount included therein as a result of prior adjustments thereof pursuant to the provisions of this subparagraph) by one-half (1/2) of the Percentage Increase for such Anniversary Date, or

(2) The amount set forth in the schedule attached hereto, made a part hereof, and marked "Schedule D" opposite the respective Anniversary Date.

(d) In the event the Index to be used in computing the basic rental is not available on the date any rental payment is due, the Lessee shall continue to pay the basic rental at the monthly rate then in effect subject to retroactive adjustment at such time as the specified Index becomes available, provided, however, that the Port Authority may at its option substitute for such Index the Index for the latest preceding month then published to constitute the specified Index. In the event the United States Consumer Price Index for All Urban Consumers--New York--Northern, New Jersey--Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100) shall hereafter be converted to a different standard reference base or otherwise revised or the United States Department of Labor shall cease to publish the United States Consumer Price Index for All Urban Consumers--New York--Northern, New Jersey--Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100), then for the purposes hereof there shall be substituted for the Index such other appropriate index or indices properly reflecting changes in the value of current United States money in a manner similar to that established in the Index used in the latest adjustment as the Port Authority may in its discretion determine.

If after the basic rental shall have been fixed for any period, the Index used for computing such rental shall be changed or adjusted, then the rental for that period shall be recomputed and from and after notification of such change or adjustment, the Lessee shall make payments based upon the recomputed rental and upon demand shall pay any excess in the basic rental due for such period as recomputed over amounts theretofore actually paid on account of the basic rental for Additional Premises A-4 for such period. If such change or adjustment results in a reduction in the basic rental due for any period prior to notification, the Port Authority will credit the Lessee with the difference between the basic rental as recomputed for that period and amounts of such basic rental actually paid.

7. The Port Authority shall have no obligation to supply to the Lessee any services or utilities in Additional Premises A-4.

8. Abatement of basic rental, if any, with respect to Additional Premises A-4 shall be computed in accordance with Standard Endorsement No. L27.4 attached hereto, and hereby made a part of the Lease as herein amended.

9. Effective from and after January 1, 2000 the Lessee shall have the right to terminate the letting of Additional Premises A-4 only, at any time, without cause, by giving at least one hundred eighty (180) days prior notice to the Port Authority provided, however, that any notice given by the Lessee pursuant to the provisions of this paragraph shall not be effective if the Lessee is in default of any term or provision of the Lease as herein amended and extended or has been served with a notice of termination by the Port Authority either on the date of the giving of the Lessee's notice or on the intended effective date thereof. Termination of the letting of Additional Premises A-4 pursuant to the provisions of this paragraph shall have the same effect as if the effective date of termination stated in the notice were the date of expiration of the letting of Additional Premises A-4 set forth in the Lease as herein amended. Such termination shall not relieve the Lessee of any liabilities or obligations which shall have accrued with respect to Additional Premises A-4 on or prior to the effective date of termination or which shall mature on such date. Without limiting or affecting the Lessee's restoration obligations as set forth elsewhere in the Lease, in the event the Lessee exercises its right to terminate the letting of Additional Premises A-4 pursuant to this paragraph, the Lessee shall remove any structures installed or placed on the portion of Additional Premises A-4 shown in diagonal crosshatching on Exhibit A-4 and shall restore the affected area to its original condition, if requested by the Port

Authority. If the Lessee shall fail so to remove any such structure, upon such request by the Port Authority, the Port Authority may, at its option, and in addition to any other remedies which may be available to it, as agent for the Lessee and at the sole risk and expense of the Lessee, remove such structure from the portion of Additional Premises A-4 shown in diagonal crosshatching on Exhibit A-4. Termination of the letting of Additional Premises A-4 pursuant to the provisions of this paragraph shall not affect the letting as to the balance of the premises under the Lease as herein amended and the letting as to the balance of the premises shall continue in full force and effect notwithstanding such cancellation.

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

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

12. As hereby amended, all the terms, covenants, provisions, conditions and agreements of the Lease shall be and remain in full force and effect.

13. This Supplementary Agreement and the Lease which it amends constitutes the entire agreement between the Port Authority and the Lessee on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and the Lessee. The Lessee agrees that no representations or

warranties shall be binding upon the Port Authority unless expressed in writing in the Lease or this Supplemental Agreement.

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

ATTEST:

SECRETARY

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By 4/27/81

for LILLIAN C. BURDA

(Title) DIRECTOR, PORT DEPARTMENT

ATTEST:

Asst. Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title) President

(Corporate Seal)

ATTEST:

Asst. Secretary

SAFEWAY TRUCKING CORPORATION

By

(Title) President

(Corporate Seal)

APPROVED:

FORM

TERMS

SCHEDULE D

DATE	AMOUNT
January 1, 1993	$1,927.79
January 1, 1996	$2,106.55
January 1, 1999	$2,301.88
January 1, 2002	$2,515.33
January 1, 2005	$2,748.57
January 1, 2008	$3,003.43
January 1, 2011	$3,281.93
January 1, 2014	$3,586.25
January 1, 2017	$3,918.80
January 1, 2020	$4,282.17
January 1, 2023	$4,679.25
January 1, 2026	$5,113.14

(a) If at any time the Lessee shall become entitled to an abatement of basic rental under the provisions of this Agreement or otherwise, such abatement shall be computed as follows:

(1) For each square foot of usable open area the use of which is denied to the Lessee, at the annual rate of $ 0.10 *

(2) For each square foot of usable covered area the use of which is denied to the Lessee, at the annual rate of $ 0.70 **

(b) If no rates are filled in above then the abatement of basic rental shall be made on an equitable basis, giving effect to the amount and character of the area the use of which is denied the Lessee, as compared with the entire area of such character included in the premises.

(c) If an exemption amount is fixed in this Agreement, it shall be reduced in the same proportion as the total basic rental is abated.

(d) For the purposes of this Endorsement, the number of square feet of covered area shall be computed as follows: by measuring from the inside surface of outer building walls to the surface of the public area side, or of the non-exclusive area side, as the case may require, of all partitions separating the area measured from adjoining areas designated for the use of the public or for use by the Lessee in common with others, and to the center of partitions separating the area measured from adjoining area exclusively used by others; no deduction will be made for columns, partitions, pilasters or projections necessary to the building and contained within the area measured. Permanent partitions enclosing elevator shafts, stairs, fire towers, vents, pipe shafts, meter closets, flues, stacks and any vertical shafts have the same relation to the area measured as do outer building walls.

(e) In the event that during the term of the letting under this Agreement the Lessee shall be partially evicted (actually or constructively) and shall remain in possession of the premises or the balance thereof, the Lessee agrees that notwithstanding it might have the right to suspend payment of the rent in the absence of this provision, it will pay at the times and in the manner herein provided, the full basic rental less only an abatement thereof computed in accordance with the above.

* the rates thereafter to be adjusted during the term of the letting of the Additional Premises proportionately to the adjustment in basic rental in accordance with the provisions of paragraph 6 of this Agreement.

** the rates thereafter to be adjusted during the term of the letting of the Additional Premises proportionately to the adjustment in basic rental in accordance with the provisions of paragraph 6 of this Agreement.

Standard Endorsement No. L 27.4

Abatement

All Marine Terminals

10/6/68

MLPF-10672 Ach., N.J.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

On this day of , 19 90 before me, the subscriber, a notary public of New York , personally appeared of The Port Authority of the New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

STATE OF New Jersey }
COUNTY OF Union } ss.

On this Sixth day of March , 1990, before me, the subscriber, a notary public of , personally appeared Roy A Lebowitz the President of EAST COAST WAREHOUSE & DISTRIBUTION CORP. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Louise Rita Pecuch
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1993

STATE OF }
COUNTY OF } ss.

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

MLPF-10672 Ach., NJ.

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

On this 22nd day of April, 19~~90~~ 91 before me, the subscriber, a notary public of New York, personally appeared Frank Caggiano of The Port Authority of the ASSISTANT DIRECTOR PORT DEPARTMENT New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

(notarial seal and stamp)

FRANK [illegible]
NOTARY PUBLIC, State of New York
No. 9759825
Qualified in Suffolk County
Commission Expires April 30, 1992

STATE OF New Jersey }
COUNTY OF Union } ss.

On this Sixth day of March, 1990, before me, the subscriber, a notary public of, personally appeared Roy A. Schmitz the President of SAFEWAY TRUCKING CORPORATION who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Louise Rita Puccio
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1993

STATE OF }
COUNTY OF } ss.

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

Port Authority Lease No. EP-158
Supplement No. 7

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of January 5, 1994, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. (hereinafter called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985, the Port Authority and the Lessee entered into an agreement of lease (hereinafter, as the said agreement of lease has been heretofore amended, modified and supplemented, called "the Lease") covering premises at the Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, County of Union and State of New Jersey; and

WHEREAS, the Port Authority and the Lessee have entered into an agreement of even date supplementing an agreenent of lease between the Port Authority and the Lessee bearing Port Authority Lease No. EP-149 under which supplementary agreement the Port Authority has agreed to reimburse the Lessee by means of a rental credit for specified costs of a rail siding to be constructed on the premises covered under said agreement of lease; and

WHEREAS, the Port Authority and the Lessee desire to amend the Lease;

NOW, THEREFORE, for and in consideration of the foregoing and the agreements hereinafter contained the Port Authority and the Lessee hereby agree as follows:

1. The Port Authority shall have the right to terminate the letting of the portion of the premises shown in stipple on Exhibit A-3 annexed to Supplement No. 5 to the Lease, without cause, at any time, on thirty (30) days' prior written notice to the Lessee. Termination under the provisions of this paragraph shall have the same effect as if the date stated in the notice of termination were the date originally set forth in the Lease as herein amended for the expiration of the term of the letting of said portion of the premises. Termination of the letting of said portion of the premises shall not affect the letting of the remaining portion of the premises and the letting of the remaining portion of the premises shall continue in full force and effect, subject to and in accordance with all the terms, provisions, covenants and conditions of the Lease as herein amended.

[redacted]

2. As hereby amended, all the terms, provisions, covenants and conditions of the Lease shall continue in full force and effect.

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

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

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

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

ATTEST:

SECRETARY

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____

(Title) LILLIAN C. LIBURDI DIRECTOR, PORT DEPARTMENT

(Seal)

ATTEST:

Marie A. Alvarez
Asst. Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By _____

(Title) President

(Corporate Seal)

APPROVED:

FORM | TERMS

MLPF-10672 Ach., N.J.

STATE OF NEW YORK }ss.
COUNTY OF NEW YORK

On this 15th day of February, 1993 94, before me, the subscriber, a notary public of New York, personally appeared LILLIAN C. LIBURDI DIRECTOR, PORT DEPARTMENT of The Port Authority of the New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

Marie M. Edwards
(notarial seal and stamp)

MARIE M. EDWARDS, NOTARY
Public, State of New York
No. 24-4959693
Qualified in Kings County
Commission Expires 12/11/95

STATE OF New Jersey }ss.
COUNTY OF Union

On this 9th day of DECEMBER, 1993, before me, the subscriber, a notary public of New Jersey, personally appeared Ryda Lebowitz the President of East Coast Warehouse & Distribution Corp. who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

Louise Rita Tiernich
(notarial seal and stamp)

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires: 06/30/98

STATE OF }ss.
COUNTY OF

Be it remembered that on this day of , 19 , before me, the subscriber, a notary public of , personally appeared who I am satisfied is the person named in and who executed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(notarial seal and stamp)

Port Authority Lease No. EP-158
Supplement No. 8

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of October 10, 2006, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and EAST COAST WAREHOUSE & DISTRIBUTION CORP. (hereinafter called "the Lessee"),

WITNESSETH, That:

WHEREAS, heretofore and as of September 3, 1985, the Port Authority and the Lessee entered into an agreement of lease (hereinafter, as the said agreement of lease has been heretofore amended, modified and supplemented, called "the Lease") covering premises at the Elizabeth-Port Authority Marine Terminal, in the City of Elizabeth, County of Union and State of New Jersey; and

WHEREAS, the Port Authority and the Lessee desire to amend the Lease;

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

1. (a) Effective as of 11:59 o'clock P.M. on the "Surrender Date" (as such term is defined in subparagraph (g) of this paragraph), the Lessee has granted, bargained, sold, surrendered and yielded up and does by these presents grant, bargain, sell, surrender and yield up to the Port Authority, its successors and assigns, forever, that part of the premises let to the Lessee shown in diagonal hatching and designated in part as "Area A (EP 158 A-1)" and in part as "Area A (EP 158 A-3)" on the sketch attached hereto, hereby made a part hereof and marked "Exhibit PS-1", and the term of years with respect thereto under the Lease as herein amended yet to come (which premises are hereinafter called "the Surrendered Area") and has given, granted and surrendered and by these presents does give, grant and surrender to the Port Authority, its successors and assigns, all the rights, rights of renewal, licenses, privileges and options of the Lessee granted by the Lease as herein amended with respect to the Surrendered Area all to the intent and purpose that the said term under the Lease as herein amended and the said rights, rights of renewal, licenses, privileges and options may be wholly merged, extinguished and determined on the Surrender Date with the same force and effect as if the said term were in and by the provisions of the Lease as herein amended originally fixed to expire on such

[redacted]

date; to have and to hold the same unto the Port Authority, its successors and assigns forever.

(b) The Lessee hereby covenants on behalf of itself, its successors and assigns that (i) it has not done or suffered and will not do or suffer anything whereby the Surrendered Area, or the Lessee's leasehold therein, has been or shall be encumbered, as of the Surrender Date in any way whatsoever; (ii) the Lessee is and will remain until the Surrender Date the sole and absolute owner of the leasehold estate in the Surrendered Area and of the rights, rights of renewal, licenses, privileges and options granted by the Lease as herein amended with respect thereto and that the same are and will remain until the Surrender Date free and clear of all liens and encumbrances of whatsoever nature; and (iii) the Lessee has full right and power to make this Agreement.

(c) All promises, covenants, agreements and obligations of the Lessee with respect to the Surrendered Area under the Lease as herein amended or otherwise which under the provisions thereof would have matured upon the date originally fixed in the Lease as herein amended for the expiration of the term thereof, or upon the termination of the Lease as herein amended prior to the said date, or within a stated period after expiration or termination, shall, notwithstanding such provisions, mature upon the Surrender Date and shall survive the partial surrender provided for in this paragraph.

(d) The Lessee has released and discharged and does by these presents release and discharge the Port Authority from any and all obligations of every kind, past, present or future on the part of the Port Authority to be performed under the Lease as herein amended with respect to the Surrendered Area. The Port Authority does by these presents release and discharge the Lessee from any and all obligations on the part of the Lessee to be performed under the Lease as herein amended with respect to the Surrendered Area for that portion of the term subsequent to the Surrender Date; it being understood that nothing herein contained shall release, relieve or discharge the Lessee from any liability for rentals or for other charges that may be due or become due to the Port Authority for any period or periods prior to the Surrender Date, or for breach of any other obligation on the Lessee's part to be performed under the Lease as herein amended for or during such period or periods or maturing pursuant to subparagraph (c) of this paragraph.

(e) In consideration of the making of this Agreement by the Port Authority, the Lessee hereby agrees to terminate its occupancy of the Surrendered Area and to deliver actual physical possession of the same to the Port Authority on or before the Surrender Date in the condition required by the Lease as herein amended upon surrender. The Lessee further agrees that it will remove from the Surrendered Area prior to the Surrender Date all equipment, removable fixtures and other personal property of the Lessee or for which the Lessee is responsible. With respect to any such property not so removed, the Port Authority may at its option as agent for the Lessee and at the risk and expense of the Lessee remove such property to a public warehouse or may retain the same in its own possession and in either event, after the expiration of thirty (30) days may sell or consent to the sale of the same at public auction; the proceeds of any such sale shall be applied first to the expenses of removal, sale and storage, and second to any sums owed by the Lessee to the Port Authority; any balance remaining shall be paid to the Lessee. The Lessee shall pay to the Port Authority any excess of the total cost of removal, storage and sale over the proceeds of sale.

(f) The Port Authority and the Lessee acknowledge and agree that the basic rental payable under the Lease shall be abated commencing on the Surrender Date at the annual rate of Twenty-two Thousand Two Hundred Fifty-one Dollars and Forty-eight Cents ($22,251.48) on a monthly basis in the amount of One Thousand Eight Hundred Fifty-four Dollars and Twenty-nine Cents ($1,854.29) as a result of the surrender provided for in this paragraph, and that such rate of abatement shall thereafter increase proportionately to any escalation of the basic rental that would have been payable for the Surrendered Area during the term of the letting if the surrender provided for herein had not occurred.

(g) The term "Surrender Date" shall mean the date set forth in written notice given by the Port Authority to the Lessee as the date that the Surrendered Area is required in connection with the performance of work on the ExpressRail Elizabeth second lead track (hereinafter called "the Rail Work").

2. In addition to the premises heretofore let to the Lessee under the Lease, the letting as to which shall continue in full force and effect, subject to and in accordance with all the terms, provisions, covenants and conditions of the Lease as amended by this Agreement, the Port Authority hereby lets to the Lessee and the Lessee hires and takes from the Port Authority, at the Elizabeth-Port Authority Marine Terminal, the open area shown in diagonal crosshatching on the sketch attached hereto, hereby made a part hereof and marked "Exhibit A-5", together with the structures,

fixtures, improvements and other property, if any, of the Port Authority located or to be located therein or thereon, the said open area, and the said structures, fixtures, improvements and other property (all of which is sometimes hereinafter in this Agreement called "the Additional Premises") to be and become a part of the premises under the Lease let to the Lessee at 12:01 o'clock A.M. on November 1, 2006 (which hour and date is hereinafter called "the Additional Premises Start Date"), subject to and in accordance with all of the terms, covenants and conditions of the Lease as herein amended, for a term expiring at 11:59 o'clock P.M. on November 30, 2026, unless sooner terminated. The parties hereby acknowledge that the Additional Premises constitute non-residential property.

3. The Lessee shall use the Additional Premises solely for the purposes set forth in Article IV of the Lease, and for no other purpose or purposes whatsoever.

4. The Port Authority shall deliver the Additional Premises to the Lessee in its presently existing "as is" condition. The Lessee acknowledges that prior to the execution of this Agreement, it has thoroughly examined and inspected the Additional Premises and has found it in good order and repair and has determined it to be suitable for the Lessee's operations therein under the Lease as herein amended. The Lessee agrees to and shall take the Additional Premises in its "as is" condition and the Port Authority shall have no obligations under the Lease as herein amended for finishing work or preparation of any portion of the Additional Premises for the Lessee's use.

5. The Lessee acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the suitability of the Additional Premises for the operations permitted thereon by the Lease as herein amended. Without limiting any obligation of the Lessee to commence operations under the Lease as herein amended at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of the Additional Premises will be used initially or at any time during the letting thereof under the Lease as herein amended which is in a condition unsafe or improper for the conduct of the Lessee's operations therein under the Lease as herein amended so that there is possibility of injury or damage to life or property.

6. The Port Authority shall have no obligation to supply to the Lessee any services or utilities in the Additional Premises.

7. In addition to all other rentals payable under the Lease as herein amended, the Lessee shall pay a basic rental for the Additional Premises at the annual rate of Four Hundred Eight Thousand Nine Hundred Ninety-six Dollars and No Cents ($408,996.00) payable in advance in equal monthly installments of Thirty-four Thousand Eighty-three Dollars and No Cents ($34,083.00) on the Additional Premises Start Date and on the first day of each calendar month thereafter during the term of the letting of the Additional Premises, except that if the Additional Premises Start Date shall be a day other than the first day of a calendar month then the monthly installment for the month in which the Additional Premises Start Date shall occur shall be prorated based on the number of days from the Additional Premises Start Date through the last day of the month in which the Additional Premises Start Date shall occur. The basic rental set forth in this paragraph shall be adjusted during the term of the letting in accordance with the provisions of subparagraph (b) of paragraph 8 hereof.

8. (a) As used in subparagraph (b) of this paragraph:

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

(2) "Base Period" shall mean the calendar month of October 2006.

(3) "Adjustment Period" shall mean, as the context requires, the calendar month of October 2009, the calendar month of October 2012 the calendar month of October 2015, the calendar month of October 2018, the calendar month of October 2021, and the calendar month of October 2024.

(4) "Anniversary Date" shall mean, as the context requires, November 1, 2009 and every third anniversary of such date which thereafter occurs during the term of the letting under the Lease as herein amended.

(5) "Percentage Increase" shall mean the percentage of increase in the Index on each Anniversary Date equal to a fraction the numerator of which shall be the Index for the Adjustment Period immediately preceding such Anniversary Date less the Index for the Base Period and the denominator of which shall be the Index for the Base Period.

(b) Commencing on each Anniversary Date and for the period commencing with such Anniversary Date and continuing through to the day preceding the next Anniversary Date, or the expiration date of the term of the letting under the Lease as herein amended, as the case may be, both dates inclusive, in lieu of the basic rental set forth in paragraph 7 hereof the Lessee shall pay a basic rental at a rate per annum equal to the greater of:

(1) the sum obtained by adding to the basic rental set forth in paragraph 7 hereof the product obtained by multiplying such basic rental by one hundred percent (100%) of the Percentage Increase for such Anniversary Date, or

(2) the basic rental payable immediately prior to such Anniversary Date including all amounts included therein as a result of prior adjustments thereof pursuant to the provisions of this subparagraph, or

(3) the amount set forth in the Schedule annexed to this Agreement, hereby made a part hereof, and marked "Schedule A" opposite the respective Anniversary Date.

Notwithstanding any other provision of the Lease as herein amended, the basic annual rental that shall be payable pursuant to paragraph 7 hereof and this paragraph commencing with each Anniversary Date and continuing through to the day preceding the following Anniversary Date, or the expiration date of the term of the letting under the Lease as herein amended, as the case may be, both dates inclusive, shall in no event exceed the amount set forth in the Schedule annexed to this Agreement, hereby made a part hereof, and marked "Schedule B" opposite the respective Anniversary Date. For example, if the Percentage Increase for the calendar month of October 2009 is shown to be twelve percent (12%) then the basic annual rental payable under paragraph 7 hereof and this paragraph for the three-year period commencing November 1, 2009 shall be $408,996.00 plus twelve percent (12%) thereof or $458,075.52, but if (1) said increase is shown to be eight percent (8%) then the basic annual rental for that three-year period shall be $446,920.97, and if (2) said increase is shown to be twenty percent (20%) then the basic annual rental for that three-year period shall be $473,463.99.

(c) In the event the Index to be used in computing any adjustment referred to in subparagraph (b) of this paragraph is not available on the effective date of such adjustment, the Lessee shall continue to pay the basic rental at the annual rate

then in effect subject to retroactive adjustment at such time as the specified Index becomes available, provided, however, that the Port Authority may at its option substitute for such Index the Index for the latest preceding month then published to constitute the specified Index. In the event the United States Consumer Price Index for All Urban Consumers - New York-Northern New Jersey-Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100) shall hereafter be converted to a different standard reference base or otherwise revised or the United States Department of Labor shall cease to publish the United States Consumer Price Index for All Urban Consumers - New York-Northern New Jersey-Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100), then for the purposes hereof there shall be substituted for the Index such other appropriate index or indices properly reflecting changes in the value of current United States money in a manner similar to that established in the Index used in the latest adjustment as the Port Authority may in its discretion determine.

If after an adjustment in basic rental shall have been fixed for any period, the Index used for computing such adjustment shall be changed or adjusted, then the rental adjustment for that period shall be recomputed and from and after notification of the change or adjustment, the Lessee shall make payments based upon the recomputed rental and upon demand shall pay any excess in the basic rental due for such period as recomputed over amounts theretofore actually paid on account of the basic rental for such period. If such change or adjustment results in a reduction in the basic rental due for any period prior to notification, the Port Authority will credit the Lessee with the difference between the basic rental as recomputed for that period and amounts of basic rental actually paid.

If any adjustment of basic rental referred to in subparagraph (b) of this paragraph is effective on a day other than the first day of a calendar month, there shall be payable in advance on the effective date of rental adjustment an installment of basic rental equal to 1/12th of the increment of annual basic rental as adjusted multiplied by a fraction, the numerator of which shall be the number of days from the effective date of the rental adjustment to the end of the calendar month in which the rental adjustment was effective and the denominator of which shall be the number of days in that calendar month.

9. Abatement of basic rental, if any, to which the Lessee may be entitled with respect to the Additional Premises shall be computed in accordance with the provisions of Standard Endorsement No. L27.4 attached hereto and hereby made a part hereof.

10. (a) The Lessee shall provide security under the Lease as herein amended in accordance with the provisions of this paragraph and Standard Endorsement No. L23.2 attached hereto. Notwithstanding any provision contained in said Standard Endorsement No. L23.2 attached hereto, the Lessee specifically agrees that the security to be deposited under said Standard Endorsement No. L23.2 and maintained thereunder throughout the extended term of the letting shall be a letter of credit under the provisions of paragraph (b) of said Standard Endorsement No. L23.2 and not cash or bonds under the provisions of paragraph (a) of said Standard Endorsement No. L23.2. Except in the first line of said Standard Endorsement No. L23.2 attached hereto, the words "this Agreement" shall be deemed deleted therefrom and the words "the Lease as herein amended" shall be deemed inserted in lieu thereof.

(b) The Port Authority and the Lessee have heretofore entered into an agreement of lease dated as of March 15, 1984 and bearing Port Authority Lease No. EP-149 covering the letting of premises at the Elizabeth-Port Authority Marine Terminal (which agreement of lease, as the same has been or may be supplemented, amended or extended, is hereinafter called "Lease No. EP-149"). The Lessee and the Port Authority hereby agree that all sums deposited by the Lessee as security under this Agreement shall be held and used by the Port Authority as security for the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all of the terms, provisions, covenants and conditions of the Lease as herein amended and Lease No. EP-149. All security deposited under this Agreement shall be considered as if deposited under Lease No. EP-149 and no part of the security deposited under this Agreement shall be repaid until the Lease as herein amended and Lease No. EP-149 shall have expired and except in accordance with the provisions of the last of the said agreements to expire.

11. (a) The Lessee hereby grants to the Port Authority, its employees, agents, representatives, contractors, subcontractors and designees a right of entry and exclusive occupancy and possession of the portion of the premises shown in diagonal hatching and designated in part as "Area B (EP 158 A-1)" and in part as "Area B (EP 158 A-3)" on Exhibit PS-1 annexed hereto for its use by the Port Authority in connection with the performance of the Rail Work (which right of entry and exclusive occupancy and possession of said portion of the premises is hereinafter called "the Temporary Surrender" and which portion of the premises is hereinafter called "the Temporarily Surrendered Area"). The Temporary Surrender shall commence on the "Temporary

Surrender Date" (as such term is defined in subparagraph (b) of this paragraph) and shall terminate on the date set forth in written notice given by the Port Authority to the Lessee as the date that the Temporarily Surrendered Area is no longer of use in connection with the performance of the Rail Work (which date, as so determined, is hereinafter called "the Exit Date"). The Lessee shall be entitled to an abatement of the basic rental payable under the Lease at the annual rate of Seventeen Thousand Six Hundred Dollars and Forty-six Cents ($17,600.46) on a monthly basis in the amount of One Thousand Four Hundred Sixty-six Dollars and Seventy-one Cents ($1,466.71) as a result of the Temporary Surrender commencing on the Temporary Surrender Date and continuing through the Exit Date, except that if the Temporary Surrender Date shall be a day other than the first day of a calendar month then the monthly abatement amount allowable for the month in which the Temporary Surrender Date shall occur shall be prorated based on the number of days from the Temporary Surrender Date through the last day of the month in which the Temporary Surrender Date shall occur, and if the Exit Date shall be a day other than the last day of a calendar month then the monthly abatement amount allowable for the month in which the Exit Date shall occur shall be prorated based on the number of days from the first day of the month in which the Exit Date shall occur through the Exit Date. Further, in the event that the basic rental payable for the Temporarily Surrendered Area shall escalate during the period of the Temporary Surrender, the abatement shall be increased proportionately to such escalation effective on the date of any such escalation. Nothing contained in this agreement shall or shall be deemed to create any obligation on the part of the Port Authority to perform any or all of the Rail Work.

(b) The term "Temporary Surrender Date" shall mean the date set forth in written notice given by the Port Authority to the Lessee as the date that the Temporarily Surrendered Area is required in connection with the performance of the Rail Work.

12. In addition to all other rights under the Lease as herein amended, the Port Authority shall have the right to terminate the letting of all or any part of the portions of the Additional Premises designated as "Area B" or "Area C" on Exhibit A-5 annexed hereto (which portions of the Additional Premises are hereinafter called "the Area B and Area C Premises"), without cause, effective on October 31, 2015 and on each anniversary of that date to occur during the term of the letting, upon two (2) years' prior written notice to the Lessee. Termination under the provisions of this paragraph shall have the same effect as if the effective date of termination stated in the notice were the date of expiration of the term of the letting of the Area B and Area C

Premises (or a portion or portions thereof) under the Lease as herein amended. Such termination shall not relieve the Lessee of any liabilities or obligations which shall have accrued as to said portion or portions of the premises on or prior to the effective date of termination thereof or which shall mature on said date.

13. In addition to all other rights under the Lease as herein amended, the Port Authority shall have the right to terminate the letting of all or any part of the Area B and Area C Premises upon one hundred eighty (180) days' prior written notice to the Lessee if in the Port Authority's sole opinion the Area B and Area C Premises or any portion thereof is required for roadway purposes. Termination under the provisions of this paragraph shall have the same effect as if the effective date of termination stated in the notice were the date of expiration of the term of the letting of the Area B and Area C Premises or any portion thereof under the Lease as herein amended. Such termination shall not relieve the Lessee of any liabilities or obligations which shall have accrued as to the Area B and Area C Premises on or prior to the effective date of termination thereof or which shall mature on said date.

14. If the Lessee should fail to pay any amount required under the Lease as herein amended when due to the Port Authority, including without limitation any payment of rental or any payment of utility fees or charges, or other charges or fees, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period hereinbelow described during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under the Lease as herein amended. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this paragraph, with respect to such unpaid amount.

Each late charge shall be and become additional rent, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the rentals as set forth in the Lease as herein amended. Nothing in this paragraph is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under the Lease as herein amended, including without limitation the Port Authority's rights set forth in Section 16 of the Terms and Conditions of the Lease entitled "Termination" or (ii) any obligations of the Lessee under the Lease as herein amended. In the event that any late charge imposed pursuant to this paragraph shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under the Lease as herein amended shall be payable instead at such legal maximum.

15. As hereby amended, all the terms, provisions, covenants and conditions of the Lease shall continue in full force and effect.

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

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

18. This Agreement, together with the Lease (to which it is supplementary) constitutes the entire agreement between the Port Authority and the Lessee on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and

the Lessee. The Lessee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in the Lease or in this Agreement.

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

ATTEST:

SECRETARY

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____

(Title) RICHARD M. LARRABEE DIRECTOR, PORT COMMERCE DEPT.

(Seal)

ATTEST:

Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By _____

(Title) President

(Corporate Seal)

APPROVED:

FORM | TERMS

(a) Upon the execution of this Agreement by the Lessee and delivery thereof to the Port Authority, the Lessee shall deposit with the Port Authority (and shall keep deposited throughout the letting under this Agreement) either the sum of Three Hundred Ninety Thousand Dollars and No Cents ($390,000.00) in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of The Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all of the terms, provisions, covenants and conditions of this Agreement on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Lessee may deposit such bond or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Lessee) in a manner satisfactory to the Port Authority. The Lessee may request the Port Authority to accept a registered bond in the Lessee's name and if acceptable to the Port Authority the Lessee shall deposit such bond together with a bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Lessee any expenses incurred by the Port Authority in re-registering a bond to the name of the Lessee shall be borne by the Lessee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Lessee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the Lessee. With respect to any bonds deposited by the Lessee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Lessee, to sell the same in whole or in part, at any time and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights or redemption of the Lessee. The Lessee hereby waives all right to participate therein and all right to prior notice or

demand of the amount or amounts of the claims or demands of the Port Authority against the Lessee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Lessee. Any balance remaining shall be retained in cash toward bringing the deposit to the sum specified above. In the event that the Port Authority shall at any time or times so use the deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the above-mentioned amount, the Lessee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier termination of the letting under this Agreement as the said letting may have been extended, and upon condition that the Lessee shall then be in no wise in default under any part of this Agreement, as this Agreement may have been amended or extended (or both), and upon written request therefor by the Lessee, the Port Authority will return the deposit to the Lessee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Lessee of this Agreement or any part thereof. The Lessee agrees that it will not assign or encumber the deposit. The Lessee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(b) The Lessee may at any time during the term of the letting under this Agreement offer to deliver to the Port Authority, as security for all obligations of the Lessee under this Agreement, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of Three Hundred Ninety Thousand Dollars and No Cents ($390,000.00). The form and terms of such letter of credit, as well as the institution issuing it, shall be

subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the term of the letting under this Agreement and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit the Lessee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a) of this Standard Endorsement or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a) of this Standard Endorsement. Failure to provide such a letter of credit at any time during the term of the letting, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Agreement on the part of the Lessee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Lessee made thereafter, the Port Authority will return the security deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a) of this Standard Endorsement. The Lessee shall have the same rights to receive such deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the letting and fulfillment of the obligations of the Lessee under this Agreement. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Lessee, on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount.

(c) For purposes of the provisions set forth in this Standard Endorsement, the Lessee hereby certifies that its I.R.S. Employer Identification No. is 22-1618765.

(a) If at any time the Lessee shall become entitled to an abatement of basic rental under the provisions of the Lease as herein amended or otherwise, such abatement shall be computed as follows:

(1) For each square foot of usable open area the use of which is denied to the Lessee, at the annual rate of $0.585*

(2) For each square foot of usable covered area the use of which is denied to the Lessee, at the annual rate of Not Applicable

(b) If no rates are filled in above then the abatement of basic rental shall be made on an equitable basis, giving effect to the amount and character of the area the use of which is denied the Lessee, as compared with the entire area of such character included in the premises.

(c) If an exemption amount is fixed in the Lease as herein amended, it shall be reduced in the same proportion as the total basic rental is abated.

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

(e) In the event that during the term of the letting under the Lease as herein amended the Lessee shall be partially evicted (actually or constructively) and shall remain in possession of the premises or the balance thereof, the Lessee agrees that notwithstanding it might have the right to suspend payment of the rent in the absence of this provision, it will pay at the times and in the manner herein provided, the full basic rental less only an abatement thereof computed in accordance with the above.

* for the portions of the Additional Premises designated as "Area A" and "Area B" on Exhibit A-5 annexed hereto; at the annual rate of $1.75 for the portion of the Additional Premises designated as "Area C" on Exhibit A-5 annexed hereto; the rate thereafter to be adjusted during the term of the letting proportionately to the adjustment in basic rental in accordance with the provisions of paragraph 8 hereof.

SCHEDULE A

For the respective periods commencing on each of the following dates:

November 1, 2009	$446,920.97
November 1, 2012	$488,362.61
November 1, 2015	$533,647.01
November 1, 2018	$583,130.50
November 1, 2021	$637,202.44
November 1, 2024	$696,288.31

SCHEDULE B

For the respective periods commencing on each of the following dates:

November 1, 2009	$473,463.99
November 1, 2012	$548,093.76
November 1, 2015	$634,487.04
November 1, 2018	$734,498.05
November 1, 2021	$850,273.31
November 1, 2024	$984,297.64

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

On the 6th day of October in the year 2006, before me, the undersigned, a Notary Public in and for said state, personally appeared RICHARD M. LARRABEE DIRECTOR, PORT COMMERCE DEPT., personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

LUCY AMBROSINO
NOTARY PUBLIC, STATE OF NEW YORK
No. 01AM6101070
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES NOV. 3, 2007

STATE OF NEW JERSEY)
) ss.
COUNTY OF UNION)

On the 19TH day of SEPT. in the year 2006, before me, the undersigned, a Notary Public in and for said state, personally appeared ROY A. LEBOVITZ, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

MARIA MARTINEZ
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 3/19/2007

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

(Lease No. EP-158)

THIS AGREEMENT, dated as of July 8, 2010, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), and EAST COAST WAREHOUSE & DISTRIBUTION CORP. (hereinafter called the "Tenant"),

WITNESSETH, That:

WHEREAS, by a certain agreement dated as of October 10, 2006 and denominated "Supplement No. 8" to an agreement of lease by and between the Port Authority and the Tenant dated as of September 3, 1985 (which lease, as the same has been supplemented and amended, is hereinafter called the "Lease") the Port Authority let to the Tenant and the Tenant took from the Port Authority, for a term commencing on November 1, 2006 and expiring on November 30, 2026 certain premises at the Elizabeth-Port Authority Marine Terminal in the City of Elizabeth, County of Union and State of New Jersey, in addition to its existing premises and consisting of an open area of approximately seven acres as shown on Exhibit A-5 attached to said "Supplement No. 8" to the Lease (which additional portion of the premises under the Lease is hereinafter called the "Supplement No. 8 Additional Premises"), and subsequently the Tenant surrendered a portion of the Supplement No. 8 Additional Premises pursuant to and in accordance with the provisions of paragraph 13 of Supplement No. 8 and the rental applicable to the Supplement No. 8 Additional Premises was accordingly abated; and

WHEREAS, the Tenant being presently in possession under the Lease, desires to terminate its occupancy of the balance of the Supplement No. 8 Additional Premises, (which area is shown in diagonal crosshatching on the sketch attached hereto, hereby made a part hereof and marked "Exhibit PS-2," and hereinafter called the "open area"), and to surrender the same to the Port Authority effective as of July 31, 2010 at 11:59 o'clock P.M. (which date and hour are hereinafter collectively called "the Surrender Date"); and

WHEREAS, the Port Authority is willing to accept such partial surrender on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the Port Authority and the Tenant hereby agree as follows:

1. The Tenant has granted, bargained, sold, surrendered and yielded up and does by these presents grant, bargain, sell, surrender and yield up unto the Port Authority, its successors and assigns, forever, the open area and the term of years with respect thereto under the Lease yet to come and has given, granted and surrendered and by these presents does give, grant and surrender to the Port Authority, its successors and assigns, all the rights, rights of renewal, licenses, privileges and options of the Tenant granted by the Lease with respect to the open area, all to the intent and purpose that the said term under the Lease and the said rights of renewal, licenses, privileges and options may be wholly merged, extinguished and determined on the Surrender Date, with the same force and effect as if the said term were in and by the provisions of the Lease originally fixed to expire on the Surrender Date;

TO HAVE AND TO HOLD the same unto the Port Authority, its successors and assigns forever.

2. The Tenant hereby covenants on behalf of itself, its successors and assigns that (a) it has not done or suffered and will not do or suffer anything whereby the open area, or the Tenant's leasehold therein, has been or shall be encumbered as of the Surrender Date in any way whatsoever; (b) the Tenant is and will remain until the Surrender Date the sole and absolute owner of the leasehold estate in the open area and of the rights, rights of renewal, licenses, privileges and options granted by the Lease with respect thereto and that the same are and will remain until the Surrender Date free and clear of all liens and encumbrances of whatsoever nature; and (c) the Tenant has full right and power to make this Agreement.

3. All promises, covenants, agreements and obligations of the Tenant with respect to the open area, under the Lease or otherwise, which under the provisions thereof would have matured upon the date originally fixed in the Lease for the expiration of the term thereof, or upon the termination of the Lease prior to the said date, or within a stated period after expiration or termination, shall notwithstanding such provisions, mature upon the Surrender Date and shall survive the execution and delivery of this Agreement.

4. The Tenant has released and discharged and does by these presents release and discharge the Port Authority from any and all obligations of every kind, past, present or future on the part of the Port Authority to be performed under the Lease with respect to the open area. The Port Authority does by these presents release and discharge the Tenant from any and all obligations on the part of the Tenant to be performed under the Lease with respect to the open area for that portion of the term subsequent to the Surrender Date; it being understood that nothing herein contained shall release, relieve or discharge the Tenant from any liability for rentals or for other charges that may be due or become due to the Port Authority for any period or periods prior to the Surrender Date, or for breach of any other obligation on the Tenant's part to be performed under the Lease for or during such period or periods or maturing pursuant to paragraph 3 above.

5. In consideration of the making of this Agreement by the Port Authority and the above described release, the Tenant hereby agrees to terminate its occupancy of the open area and to deliver actual, physical possession of the open area to the Port Authority, on or before the Surrender Date, in the condition required by the Lease upon surrender. The Tenant further agrees that it shall remove from the open area, prior to the Surrender Date, all equipment, inventories, removable fixtures and other personal property of the Tenant or for which the Tenant is responsible. With respect to any such property not so removed, the Port Authority may at its option, as agent for Tenant and at the risk and expense of the Tenant, remove such property to a public warehouse or may retain the same in its own possession and in either event, after the expiration of thirty (30) days, may sell or consent to the sale of the same at a public auction; the proceeds of any such sale shall be applied first to the expenses of removal, sale and storage, and second to any sums owed by the Tenant to the Port Authority; any balance remaining shall be paid to the Tenant. The Tenant shall pay to the Port Authority any excess of the total cost of removal, storage and sale over the proceeds of sale.

6. The Port Authority and the Lessee acknowledge and agree that the basic rental payable under the Lease shall be abated commencing as of the day immediately following the Surrender Date at the annual rate of Two Hundred Seventy-seven Thousand Three Hundred Thirty-one Dollars and Four Cents ($277,331.04), on a monthly basis in the amount Twenty-three Thousand One Hundred Ten Dollars and Ninety-two Cents

($23,110.92) as a result of the surrender provided for in this Agreement and that the basic rental payable by the Tenant for the premises under the Lease shall thereafter be at the annual rate of One Million Three Hundred Ninety-eight Thousand Five Hundred Thirty-five Dollars and Eighty Cents ($1,398,535.80), payable in advance in equal monthly installments of One Hundred Sixteen Thousand Five Hundred Forty-four Dollars and Sixty-five Cents ($116,544.65) throughout the balance of the term of the letting under the Lease.

7. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Tenant with any liability or held liable to it under any term or condition of this Agreement, or because of its execution or attempted execution or because of any breach or attempted or alleged breach thereof. The Tenant agrees that no representations or warranties with respect to this Agreement shall be binding upon the Port Authority unless expressed in writing herein.

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

ATTEST:

Deputy Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By

(Title) RICHARD M. LARRABEE (Seal)

DIRECTOR, PORT COMMERCE DEPT.

ATTEST:

Secretary

EAST COAST WAREHOUSE & DISTRIBUTION CORP.

By

(Title) CFO and Vice President

(corporate seal)

APPROVED:

FORM | TERMS

Form - All-Purpose Ack. N.Y. (rev 9/1/99)

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

On the 28th day of December in the year 2010, before me, the undersigned, a Notary Public in and for said state, personally appeared RICHARD M. LARRABEE DIRECTOR, PORT COMMERCE DEPT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

LUCY AMBROSINO
NOTARY PUBLIC, STATE OF NEW YORK
No. 01AM6101070
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES NOV. 3, 2011

STATE OF Georgia)
) ss.
COUNTY OF Cobb)

On the 21st day of July in the year 2010, before me, the undersigned, a Notary Public in and for said state, personally appeared James G. Overley, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

KAREN A LEWIS
NOTARY PUBLIC
MY COMMISSION EXPIRES JUNE 8, 2013
COBB COUNTY, GEORGIA