

A Public Records Access request has been submitted.

Request By: Krutesh Choksi

Signature: Krutesh Choksi

Request date: 07/20/2016

Address:



Email:



Phone
number:



Personal
Information
Request: NO

Records
seeking:

We are requesting all active Ground Transportation Service Permits with bus and shuttle companies at Newark, La Guardia, and JFK Airports, or expired ones that were active in the past 5 years. Likewise, any contracts between the Port Authority and bus companies that allow buses to service the Journal Square Transportation Center.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
PUBLIC RECORD ACCESS FORM

PRA #17188

Action by (print / type name):

William Shalewitz

, Freedom of Information Administrator

Signature:



Date:

10/27/2016

On behalf of the Secretary of the Port Authority, as Records Access Officer and Custodian of Government Records of the Port Authority.

- The requested records are being made available.
- Any responsive records that may exist are currently in storage or archived, and a diligent search is being conducted. The Port Authority will respond by:
- A diligent search has been conducted, and no records responsive to your request have been located.
- The requested records that have been located are not being made available, as they are exempt from disclosure for the following specific reasons:

- Some requested records that have been located are being made available. The remainder are exempt from disclosure for the following specific reasons:

- The request does not reasonably describe or identify specific records; therefore, the Port Authority is unable to search for and locate responsive records. Please consider submitting a new request that describes or identifies the specific records requested with particularity and detail.

- Other:

Material responsive to your request can be found on the Port Authority's website at <http://corpinfo.panynj.gov/documents/17188-LPA/>. Paper copies of the available records are available upon request.
Exemptions applied for privacy and security.

This form is promulgated by the Port Authority pursuant to the Port Authority Public Records Access Policy and is intended to be construed consistent with the New York Freedom of Information Law and the New Jersey Open Public Records Act. It is intended to facilitate requests for Port Authority public records and does not constitute legal advice.

: For Port Authority Use Only :
:
: ANA - 229 :
:

AVIATION DEPT.
FILE COPY

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
One World Trade Center
New York, New York 10048
NEWARK INTERNATIONAL AIRPORT

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called "the Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at the Port Authority Facility hereinafter named, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

- 1. FACILITY: NEWARK INTERNATIONAL AIRPORT
- 2. PERMITTEE: Trans-Bridge Lines, Inc., a Corporation of the State of Pennsylvania
- 3. PERMITTEE'S ADDRESS: 2012 Industrial Drive, Bethlehem, Pennsylvania 18017
- 4. PERMITTEE'S REPRESENTATIVE: Gerald N. Bleskachek, Vice President of Operations
- 5. PRIVILEGE: As set forth in Special Endorsement No. 1
- 6. FEES: Five Percent (5%) of the Permittee's gross receipts
- 7. EFFECTIVE DATE: April 1, 1985
- 8. EXPIRATION DATE: March 31, 1987 unless sooner revoked as provided in Section 1 of the following Terms and Conditions.
- 9. ENDORSEMENTS: 1.1, 2.2, 2.8, 3.1, 8.0, 9.1, 9.5, 9.6, 12.1, 16.1, 17.3, 18.1, 19.3, 21.1, 22, 23.1, 28 and SPECIAL

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

Dated: as of March 31, 1985

By [Signature]
(Title) _____

TRANS-BRIDGE LINES, INC.
Permittee

By [Signature]
(Title) President

APPROVED:
FOR [Signature] TERMS [Signature]
RA
RP

TERMS AND CONDITIONS

1. The permission granted by this Permit shall take effect upon the effective date hereinbefore set forth. ~~Notwithstanding any other term or condition hereof, it may be revoked at any time by the Port Authority, with or without cause, and with or without prior notice. Unless sooner revoked, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.~~

2. The permission hereby granted shall in any event terminate with the expiration or termination of the lease of the Airport from the City of Newark to the Port Authority under the Agreement between the City and the Port Authority dated October 22, 1947, and recorded in the Office of the Register of Deeds of the County of Essex on October 30, 1947, in Book E-110 of Deeds, at pages 242 et seq. as the same from time to time may have been or may be supplemented or amended. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement.

3. The rights granted hereby shall be exercised

(a) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(b) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(c) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees, or

(d) if the Permittee is an individual, by the Permittee acting only personally or through the medium of his employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other person, corporation or legal entity. The Permittee shall not assign or

NIA
Form A
12/19/77

transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

4. This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

5. The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee regarding the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

6. In the use of the parkways, roads, streets, bridges, corridors, hallways, stairs and other common areas of the Airport as a means of ingress and egress to, from and about the Airport, and also in the use of portions of the Airport to which the general public is admitted, the Permittee shall conform (and shall require its employees, invitees and others doing business with it to conform) to the Rules and Regulations of the Port Authority which are now in effect or which may hereafter be adopted for the safe and efficient operation of the Airport.

The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport beyond a reasonable loading or discharging time, except in regular parking areas and upon payment of the regular charges therefor.

NIA
Form A
1/21/74

7. The Permittee 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 or personal injuries, or for property damages, arising out of any of the operations, acts or omissions of the Permittee hereunder, including claims and demands of the City against the Port Authority pursuant to the provisions of the aforesaid agreement of October 22, 1947 between the City and the Port Authority, whereby the Port Authority has agreed to indemnify the City against claims.

8. The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations hereunder. The Permittee shall not install any fixtures or make any alterations or improvements in or additions or repairs to any property of the Port Authority except with its prior written approval.

9. Any property of the Permittee placed on or kept at the Airport by virtue of this Permit shall be removed on or before the expiration of the permission hereby granted. ~~In the event of revocation, the Permittee shall have two days, exclusive of Saturdays, Sundays and legal holidays (as determined by the laws of the State of New Jersey), after the effective date of revocation, in which to remove such property.~~

If the Permittee shall so fail to remove such property upon the expiration or revocation hereof, the Port Authority may at its option, as agent for the Permittee and at the risk and expense of the Permittee, 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 days may sell the same at public auction; the proceeds of any such sale shall be applied first to the expenses of removal, sale and storage, second to any sums owed by the Permittee to the Port Authority; any balance remaining shall be paid to the Permittee. Any excess of the total cost of removal, storage and sale over the proceeds of sale shall be paid by the Permittee to the Port Authority upon demand.

10. The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit. Without in any wise limiting its obligations under Section 7 hereof

the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

11. The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

12. No signs, posters or similar devices shall be erected, displayed or maintained by the Permittee in view of the general public without the written approval of the General Manager of the Airport; and any not approved by him may be removed by the Port Authority at the expense of the Permittee.

13. As used herein

(a) The term "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit, but until further notice from the Port Authority to the Permittee, it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(b) The terms "General Manager of the Airport" or "Manager of the Airport" shall mean the person or persons from time to time designated by the Port Authority to exercise the

powers and functions vested in the General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the General Manager or the Acting General Manager of Newark International Airport for the time being, or his duly designated representative or representatives.

14. The Permittee's representative, hereinbefore specified, (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit and any things done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof and to give and receive notices hereunder.

15. A bill or statement may be rendered and any notice or communication which the Port Authority may desire to give the Permittee shall be deemed sufficiently rendered or given if the same be in writing and sent by registered mail addressed to the Permittee at the address specified on the first page hereof or at the address that the Permittee may have most recently substituted therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative, and the time of rendition of such bill or statement and of the giving of such notice or communication shall be deemed to be the time when the same is mailed, left or delivered as herein provided. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered mail addressed to the Executive Director of the Port Authority at One World Trade Center, New York, New York 10048, or at such other address as the Port Authority shall hereafter designate by notice to the Permittee.

16. The Permittee agrees to be bound by and comply with the provisions of all endorsements annexed to the Permit at the time of issuance.

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

18. This Permit, including the attached endorsements and exhibits, if any, constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the parties. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

Prior to the execution of this Permit by either party, the following changes were made in the foregoing Terms and Conditions and the following substitutions shall be deemed to have been made:

- (a) The last three sentences of Section 1 were deleted and the following sentences shall be deemed to have been inserted therefor:

"Notwithstanding any other term or condition hereof, it may be revoked without cause, upon thirty days' written notice, by the Port Authority or terminated without cause, upon thirty days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four hours' notice if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation or termination shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination."

- (b) The last sentence of the first paragraph of Section 9 was deleted and the following clause shall be deemed to have been added to the first sentence of the said first paragraph.

"or on or before the revocation or termination of the permission hereby granted, whichever shall be earlier."

- (c) The word "termination" shall be deemed to have been inserted after the word "expiration" in the first or second line of the last paragraph of Section 9.

It shall be unnecessary to physically indicate the foregoing deletions on the foregoing Terms and Conditions.

STANDARD ENDORSEMENT NO. 1.1

TERMINATION AND REVOCATION
All Facilities
10/3/66

The fees hereunder shall be due and payable on the twentieth day of the month following the calendar month in which the effective date hereof falls, and on the twentieth day of each month thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar month, the final payment of the fees shall be due and payable within twenty (20) days after the effective date of expiration, revocation or termination.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 17309
NEWARK, NEW JERSEY 07194

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

STANDARD ENDORSEMENT NO. 2.2

FEE-PERCENTAGE

All Facilities

10/30/85

In connection with the exercise of the privilege granted hereunder, the Permittee shall,

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

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

(c) Maintain, in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation or termination thereof, and for a further period extending until the Permittee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District;

(d) Permit in ordinary business hours during the effective period of the Permit and for one year thereafter, the examination and audit by the officers, employees, and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Permittee, or which owns or controls the Permittee, if said company performs services, similar to those performed by the Permittee, anywhere in the Port of New York District;

(e) Permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to cash registers;

(f) Furnish on or before the twentieth day of each month following the effective date of this Permit a sworn statement of gross receipts arising out of operations of the Permittee hereunder for the preceding month.

(g) Furnish on or before the twentieth day of April of each calendar year following the effective date of this Permit a statement of all gross receipts arising out of operations of the Permittee hereunder for the preceding calendar year certified, at the Permittee's expense, by a certified public accountant;

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

STANDARD ENDORSEMENT NO. 2.8
BUSINESS DEVELOPMENT AND RECORDS
AIRPORTS

4/9/79

A principal purpose of the Port Authority in granting the permission under this Permit is to have available for passengers, travelers and other users of the Port Authority Facility, all other members of the public, and persons employed at the Facility, the merchandise and/or services which the Permittee is permitted to sell and/or render hereunder, all for the better accommodation, convenience and welfare of such individuals and in fulfillment of the Port Authority's obligation to operate facilities for the use and benefit of the public.

The Permittee agrees that it will conduct a first class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish all services hereunder on a fair, equal and non-discriminatory basis to all users thereof.

STANDARD ENDORSEMENT NO. 3.1

ACCOMMODATION OF THE PUBLIC

All Facilities

8/21/49

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Endorsement with respect to such unpaid amount. Nothing in this Endorsement is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 1 of the Terms and Conditions of this Permit or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Endorsement shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

STANDARD ENDORSEMENT NO. 8.0
LATE CHARGES
All Facilities
7/30/82

The Permittee shall

(a) Furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(c) Charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

STANDARD ENDORSEMENT NO. 9.1

FEDERAL AIRPORT AID

Airports

1/19/81

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

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

(c) The Permittee's noncompliance with the provisions of this Endorsement shall constitute a material breach of this Permit. In the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

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

(e) Nothing contained in this Endorsement shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any Space under the Permit.

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

STANDARD ENDORSEMENT NO. 9.6
AIRPORTS
AFFIRMATIVE ACTION

The Permittee shall refrain from entering into continuing contracts or arrangements with third parties for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

The Permittee shall not enter into any agreement or understanding, express or implied, binding or nonbinding, with any other person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (a) fixing rates and charges to be paid by users of the services; (b) lessening or preventing competition between the Permittee and such other furnishers of services; or (c) tending to create a monopoly on the Airport in connection with the furnishing of such services.

STANDARD ENDORSEMENT NO. 12.1

CAPACITY & COMPETITION

Airports

7/21/49

The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further reasonable rules and regulations which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport including any Space covered by this Permit, or for the safe and efficient operation of the Airport including any space covered by this Permit. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five days before the Permittee shall be required to comply therewith.

The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification. The badges or means of identification shall be subject to the written approval of the Airport Manager.

STANDARD ENDORSEMENT NO. 16.1

RULES & REGULATIONS COMPLIANCE

Airports

6/29/62

1. The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

2. The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operation hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

3. (a) The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the Agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(c) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

STANDARD ENDORSEMENT NO. 17.3

LAW COMPLIANCE

Airports

4/17/50

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

STANDARD ENDORSEMENT NO. 18.1

NO PERSONAL LIABILITY

All Facilities

6/1/50

Notwithstanding any other provision of this Permit, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of Newark International Airport from The City of Newark to the Port Authority under the agreement between the City and the Port Authority dated October 22, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated October 22, 1947 has been recorded in the Office of the Register of Deeds for the County of Essex on October 30, 1947 in Book E-110 of Deeds at pages 242, et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

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

The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

STANDARD ENDORSEMENT NO. 19.3
PARTICULAR FACILITY
Newark International Airport
3/15/74

(1) The Permittee in its own name as assured shall secure and pay the premium or premiums for those of the following policies of insurance with respect to which minimum limits are fixed in the schedule below. Each such policy shall be maintained in at least the limit fixed with respect thereto, shall cover the operations of the Permittee under this Permit, and shall be effective throughout the effective period:

SCHEDULE

<u>Policy</u>	<u>Minimum Limit</u>
(a) Comprehensive general liability insurance (to include contractual liability endorsement).	
(1) Bodily-injury liability:	
For injury or wrongful death to one person:	\$ <u>10,000,000</u>
For injury or wrongful death to more than one person from any one occurrence:	\$ <u>10,000,000</u>
(2) Property-damage liability:	
For all damages arising out of injury to or destruction of property in any one occurrence:	\$ <u>10,000,000</u>
(3) Products liability:	\$ _____
(b) Automobile liability insurance.	
(1) Bodily-injury liability:	
For injury or wrongful death to one person:	\$ <u>10,000,000</u>
For injury or wrongful death to more than one person from any one occurrence:	\$ <u>10,000,000</u>
(2) Property-damage liability:	
For all damages arising out of injury to or destruction of property in any one occurrence:	\$ <u>10,000,000</u>
(c) Plate and mirror glass insurance, covering all plate and mirror glass in the Space, and the lettering, signs, or decorations, if any, on such plate and mirror glass:	\$ _____
(d) Boiler and machinery insurance, covering all boilers, pressure vessels and machines operated by the Permittee in the Space:	\$ _____
(e) "Additional Interest" policy of boiler and machinery insurance, covering all boilers, pressure-vessels and machines operated by the Permittee in the Space:	\$ _____

STANDARD ENDORSEMENT NO. 21.1 (Page 1)

INSURANCE

All Facilities

3/25/82 (R)

(2) 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 effective period of this Permit, direct otherwise in writing, in which case the Permittee shall cause the Port Authority not to be so named.

(3) Every policy of insurance on property other than that of the Permittee required by this Endorsement shall name the Port Authority as the owner of the property, unless the Space is located in an area as to which the Port Authority itself is a lessee, in which case the Port Authority shall be named as the lessee and the owner shall be named as the owner, and the policy 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."

(4) The "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 National Bureau of Casualty Underwriters, New York, New York.

(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 within ten (10) days after the execution of this Permit. 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 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 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 Permittee shall promptly obtain a new and satisfactory policy in replacement.

(6) 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.

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, or if the Permittee's operations hereunder are in New Jersey, the National Board of Fire Underwriters and The Fire Insurance Rating Organization of N.J., and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Endorsement, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

The Permittee shall not do or permit to be done any act which

- (a) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
- (b) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
- (c) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
- (d) may cause or produce upon the Airport any unusual, noxious or objectionable smokes, gases, vapors or odors, or
- (e) may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire-protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Airport, or
- (f) shall constitute a nuisance in or on the Airport or which may result in the creation, commission or maintenance of a nuisance in or on the Airport.

For the purpose of this Endorsement, "Airport" includes all structures located thereon.

STANDARD ENDORSEMENT NO. 22
PROHIBITED ACTS
Airports
7/13/49

Upon the execution of this permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the letting under this Agreement) the sum of

Four Thousand Dollars and No Cents (\$4,000.00)

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

Standard Endorsement No. 23.1 (Page 1)

Security Deposit

All Facilities

1/9/85

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

Standard Endorsement No. 23.1 (Page 2)
Security Deposit
All Facilities
1/9/85

If any type of strike or other labor activity is directed against the Permittee at the Facility or against any operations pursuant to this Permit resulting in picketing or boycott for a period of at least forty-eight (48) hours which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Facility or the operations of other permittees, lessees or licensees thereat, whether or not the same is due to the fault of the Permittee, and whether caused by the employees of the Permittee or by others, the Port Authority may at any time during the continuance thereof, by twenty-four (24) hours' notice, revoke this Permit effective at the time specified in the notice. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

STANDARD ENDORSEMENT NO. 28
DISTURBANCES
All Facilities
6/20/51

1. (a) The Permittee is hereby granted the non-exclusive privilege of using the routes, roads and ways of the Airport (as said term is defined in paragraph (b) of Special Endorsement No. 10 hereof) as may from time to time be designated by the Port Authority for the purpose of conducting the Permittee's business at the Airport as described in paragraph (b) hereof.

(b)(1) The Permittee is hereby granted the non-exclusive privilege to provide and the Permittee hereby agrees to conduct the business of providing a ground transportation service by chauffeured motor vehicle for all persons (and their baggage) desiring transportation by the Permittee between Newark International Airport on the one hand, and Clinton and Bloomsbury, New Jersey and Easton, Bethlehem and Allentown, Pennsylvania on the other hand.

The foregoing ground transportation service set forth in this paragraph (b) being sometimes herein called "the line haul service" shall be provided on the basis of a separate charge to each passenger using the same and shall be provided at a minimum every day during the hours of 7:00 A.M. to 12:00 midnight, seven days a week. The Permittee shall give notice to the Port Authority and keep the Port Authority advised at all times in writing of the schedules required to be maintained by the Permittee with respect to the line haul service by the regulatory agency whose franchise or license, together with this Permit, authorize the operation of the line haul service hereunder. The Permittee agrees that it shall maintain such required Schedules in the line haul service from and to the Airport and the communities set forth above. The Permittee shall give to the Port Authority such further written information with respect to the schedules or other aspects of the line haul service as the Port Authority may from time to time and at any time request. Unaccompanied baggage or packages of any kind which are carried in any vehicle which is engaged at the time in providing the line haul service shall be deemed a part thereof.

(b)(2)(i) Without limiting any other provisions of this Permit, it is hereby specifically understood that the failure to set forth all the geographic areas and points and locations served by the Permittee in the line haul service as of the effective date of this Permit, or the failure to, by appropriate supplement, revise the Permit to reflect any additional geographic areas and points and locations served by the Permittee in the line haul service subsequent to said effective date, shall not affect the including in gross receipts hereunder of the monies received or receivable by the Permittee in its operations to said geographic areas and points and locations and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent to be reflected in a supplement to the Permit with respect to such additional geographic areas and points and locations will be given.

(ii) The term "person" as used in this Permit shall mean not only a natural person, corporation or other legal entity, but also two or more natural persons, corporations or other legal entities acting jointly as a firm, partnership, unincorporated association, consortium, joint adventurers or otherwise.

(iii) The Permittee shall have no right hereunder to carry on or conduct any business operation or service at the Airports other than as specifically set forth herein. The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric,

SPECIAL ENDORSEMENTS

electronic or other amplifying devices is hereby expressly prohibited.

2. (a) The term "gross receipts" shall mean all monies received or receivable by the Permittee for or in connection with services of which its operations on or at the Airport under this Permit constitute a part, regardless of where the arrangements therefor occurred, including full charges for any trip any part of which is on or at the Airport, and including the cash value of tickets or tokens when used, and any other revenues of any type arising out of or in connection with the Permittee's operations at the Airport, provided, however, the "gross receipts" shall not include:

(i) monies received or receivable by the Permittee solely from that portion of its operations on or at the Airport under this Permit which constitute trips commencing at points outside the Airport; and

(ii) any taxes imposed by law which are separately stated to and paid by its customer and are directly payable to a taxing or tax collecting authority by the Permittee; and

(b) Without limiting the provisions of paragraph (a) of this Special Endorsement No. 2, it is hereby understood and agreed that in the event that the Permittee has a separate permit from the Port Authority authorizing it to provide an airline vehicular transportation service at the Airport as defined in such separate permit, any monies received or receivable by the Permittee from its customers for said airline vehicular transportation service (under such separate permit) shall be excluded from gross receipts under this Permit.

(c) Notwithstanding any other provisions of this Special Endorsement No. 2, it is hereby understood and agreed that monies received or receivable from "charter bus service" as hereinafter defined shall not be includable in gross receipts. To qualify for the "charter bus service" exclusion from gross receipts, the service of the Permittee must meet all of the requirements set forth in the definition of "charter bus service". For the purposes of this Permit, the term "charter bus service" shall mean the service of the Permittee of (i) providing a bus to a corporation or other commercial, religious or eleemosynary entity for the ground transportation of persons to or from the Airport, but not between any Airports operated by the Port Authority; (ii) where the bus used by the Permittee therefor has a seating capacity of at least twenty-five (25) passengers; (iii) where the customer pays for the service on the basis of the number of bus trips, mileage, time or some other basis but not on the basis of the number of passengers carried; and (iv) where the payment is made on the basis of accounts receivable and payable and not on a cash basis. The foregoing deletion of monies from the charter bus service from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from charter bus service in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty (60) days' written notice to the Permittee to delete the provisions of this paragraph (c), and from and after the effective date of such notice, monies received or receivable from the charter bus service shall be included in gross receipts under this Special Endorsement No. 2. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airport granting them privileges of the type covered by paragraph (b) of Special Endorsement No. 1 hereof but not necessarily serving the same geographic areas or points and locations.

(d) Notwithstanding any other provision of this Special Endorsement

SPECIAL ENDORSEMENTS

No. 2, it is hereby understood and agreed that monies received or receivable from "U.S. or N.Y. grants" as hereinafter defined shall not be includable in gross receipts. For the purposes of this Permit "U.S. or N.Y. grants" shall mean (i) any grant(s) received by the Permittee from the United States Department of Transportation as a subsidy and applied to the operating expenses of the Permittee in connection with its operations hereunder pursuant to and in accordance with Title 49 United States Code Section 1604 and any regulations issued thereunder; and (ii) any grant(s) received by the Permittee from the New York State Department of Transportation as a subsidy and applied to the operating expenses of the Permittee in connection with its operations hereunder pursuant to and in accordance with Section 18(b) of the Transportation Law of the State of New York and any regulations issued thereunder. The foregoing deletion of monies from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include any of the U.S. or N.Y. grants in gross receipts and the Port Authority hereby expressly reserves the right so to include the U.S. or N.Y. grants in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty (60) days' written notice to the Permittee to delete the provisions of this paragraph (d), and from and after the effective date of such notice, monies received or receivable by the Permittee from the U.S. or N.Y. grants shall be included in gross receipts under this Special Endorsement No. 2. The Port Authority agrees that it shall not give such notice at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them privileges of the type covered by paragraph (b) of Special Endorsement No. 1 hereof but not necessarily serving the same geographic points and locations served by the Permittee. It is expressly understood and agreed, further, that the permittee shall immediately inform the Port Authority of the results of any audit and examination by the United States or the State of New York of the records and books of account of the Permittee with respect to the U.S. or N.Y. grants.

(e) Without limiting the generality of the provisions of Standard Endorsement No. 2.8, the Permittee agrees that as part of its obligations under paragraph (c) thereof, it shall maintain separate records and books of account as to the line haul service recording all transactions and operations of the Permittee at, through or in anywise connected with the Airport and shall adopt and use such bookkeeping and means for recording orders with respect to each service as may be directed by the Port Authority from time to time. At a minimum, such records and books of account shall include those shown on Exhibit A attached hereto and hereby made a part hereof. Such records and books of account shall each be subject to the provisions of paragraphs (d) and (e) of Standard Endorsement No. 2.8.

(f) Standard Endorsement No. 2.8 is hereby amended by adding at the end of subparagraph (c) thereof the following:

"and which records and books of account shall separately state any and all amounts of the U.S. or N.Y. grants received by the Permittee and all supporting material required to comply with the requirements of the United States or the State of New York with respect to the U.S. or N.Y. grants."

(g) Without limiting the generality of Standard Endorsement 2.8 or Special Endorsments 2 and 3 hereof, the Permittee shall, simultaneously with its payment of fees each month as provided in Standard Endorsement 2.2, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit B".

SPECIAL ENDORSEMENTS

3. Prior to the execution of this Permit by either party, the following change was made in Standard Endorsement No. 2.2 attached hereto: the words "tenth day" were deleted wherever they appear therein and the words "twentieth day" were substituted therefor. It shall be unnecessary to physically indicate the foregoing change in Standard Endorsement No. 2.2.

4. Without limiting the provisions of Standard Endorsement No. 17.1, the Permittee shall procure and maintain in full force and effect throughout the effective period of the permission granted hereunder all licenses, certificates, permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of its operations, either at the Airport or in rendering the service of which its operations at the Airport are a part. Neither the issuance of this permit nor anything contained therein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property, whether for hire or otherwise, outside the Airport, or over the public streets or roads of or located in any municipality of the States of New York or New Jersey.

5. Neither a partnership nor a joint adventure is hereby created, notwithstanding the fact that the fees to be paid hereunder shall be determined by gross receipts from the operations hereunder of the Permittee. The granting of the privilege under the Permit is non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others whether by use of this form of permit or otherwise.

6. (a) The conveyances to be operated by the Permittee pursuant to this Permit shall all be omnibuses designed to carry twenty-five or more seated passengers for the line haul service to be rendered hereunder. Vehicles generally known as taxicabs shall not be used in the service permitted under this Permit. Conveyances used in the line haul service hereunder shall be so constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of the line haul service, and the use of such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all conveyances operated by the Permittee pursuant to this Permit in good repair, order and appearance; shall keep them clean at all times; and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. The Permittee shall paint, sign and mark the vehicles used in the line service to identify their use in such service in a distinctive manner satisfactory to the Port Authority. Buses regularly assigned to this service shall have special provision for carrying baggage. Employees of the Permittee shall perform all baggage loading and unloading. The Permittee shall not paint, mark or identify any vehicle or conveyance to be operated by the Permittee pursuant to this Permit with the words "taxi" or "taxicab" or words of similar meaning or with marking schemes or colors tending to identify such vehicles as taxicabs and the words "taxi" or "taxicab" shall not appear on the exterior of any such vehicle or conveyance. No vehicle utilized by the Permittee in performing the services hereunder shall be moved unless and until all persons therein are seated.

(b) The Permittee will provide sufficient equipment to carry and will carry all persons using the airlines who desire transportation to or from or between the points and locations serviced by the Permittee together with such baggage as they are permitted to carry on such airlines. The Permittee may also carry such other persons as may desire transportation by the Permittee on the various routes over which the Permittee will operate.

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7. The routes, roads and ways within the Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way, and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airport, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers or load and unload baggage and packages only at the point or points within the Airport which may be from time to time designate by the Port Authority.

8. (a) The Permittee shall make only fair and reasonable charges for services rendered hereunder at or in part at, or in connection with, the Airport and in accordance with a schedule of rates and charges which shall be subject to the prior and continuing consent of the Port Authority. The Permittee shall charge a per head rate for its service, which rate shall not differ based on the number of persons carried in the Permittee's vehicle at the same time (even if only one person is carried), except children under the age of twelve years may be carried at a lower rate or rates or be given a percentage discount from the regular rates and those persons generally known as senior citizens may be carried at a lower rate or rates. It is understood that the Permittee may charge round fare rates which may be lower than the regular rates. Fifty percent (50%) of any round fare rate shall be attributed to monies received or receivable from trips other than trips described in Special Endorsement 2(a)(i) hereof. The Port Authority will not withhold its consent to such rates and charges if they shall have been accepted, approved or determined by any board, commission or other governmental regulatory body of a municipality in which the Airport is located, or of the State of New Jersey, the State of New York or of the United States of America, provided, that such regulatory body has jurisdiction and the power of final determination, and, provided, further, that the acceptance, approval or determination is in effect at the time in question. In the absence of any such governmental determination, the Port Authority will not withhold approval of rates and charges substantially equivalent to those made for similar services by persons or organizations rendering similar services elsewhere in the municipality in which the Airport is located. All rates and charges shall be filed with the Manager of the Airport and, at the direction of the Port Authority, legible schedules thereof shall be posted in the buses used by the Permittee, so as to inform all passengers of such rates and charges at all times such buses are used in performance of services hereunder. Such schedules shall also be posted, if so requested by the Port Authority, at such location or locations at the Airport as the Port Authority shall from time to time designate.

(b) The Permittee agrees that all of its advertising for all of its services to be rendered under this Permit shall conform to and be consistent with this Special Endorsement No. 8 and all other terms and provisions of this Permit.

9. The Permittee understands that as a continuing requirement of this Permit, in connection with its operations under this Permit it must maintain a physical presence at the Airport. The Port Authority shall have the right to determine, from time to time, the manner in which such presence is established, which manner may include one or more of the following:

(a) Stopping to embark passengers at such public bus stops as may be

SPECIAL ENDORSEMENTS

designated by the Port Authority;

(b) Occupying and staffing counters or installing telephones, or both, to be used for the control of its operations at the Airport and for passenger reservation purposes.

(c) Participating in a consolidated counter system as described below, for the provision of information to the public. In the event that the Port Authority elects to require that the Permittee participate in a consolidated counter system at the Airport, the following provisions will govern the conduct of the Permittee in such system, including the payment of fees in connection with this Permit:

"(i) The terms and conditions of this Special Endorsement No. (i) shall be herein referred to as the "Counter Provisions".

The Port Authority now operates one or more Consolidated Information and Reservation Service Counters (hereinafter singly or collectively, as the case may be, called the "Counter" or the "Counters") in airline terminal buildings ("Terminals") located at the Airport. The Counters are operated to provide information to the public as well as to book trips to and from the Airports for patrons of various Port Authority line haul service Permittees which operate on a reservation basis and pay a higher fee to the Port Authority than the fee provided for in this Permit. The Port Authority may commence the operation of additional Counters in the future. The Permittee acknowledges and agrees that the following provisions of this Special Endorsement shall control the relationship of the Permittee and the Port Authority regarding the Counters, regardless of when they were or may be established:

(aa) The Counters shall be the sole means by which the Permittee is represented in Terminals having such counter or counters. The Permittee shall be represented at each such counter.

(bb) The Port Authority will use reasonable efforts to engage a contractor or contractors who will agree to staff the Counters approximately sixteen hours per day with an individual, or individuals, who will provide services, including without limitation, generally the following:

(1) Use rate and schedule data compiled from information provided by Port Authority line haul service Permittees to provide information to the public about available services; and

(2) Coordinate passenger departures with Permittee representatives; and

(3) Announce departures to passengers; and

(4) Such other services as the Port Authority may, in its discretion, deem appropriate.

(cc) (1) The Port Authority shall charge, and the Permittee shall pay, a fee of Two Hundred Dollars and No Cents (\$200.00) (hereinafter called the "Counter Fee") which the Permittee shall pay in addition to any other fees it pays pursuant to this Permit, or pursuant to any other arrangements with the Port Authority. The Permittee shall pay this

SPECIAL ENDORSEMENTS

fee separately for each counter established by the Port Authority pursuant to the Counter Provisions.

(2) In the event the Counter Provisions shall become effective on other than the first day of a month or shall expire or be terminated or revoked on other than the last day of a month (with respect to one or more Counters), the Counter Fee for such period for such Counter shall be prorated by multiplying the Counter Fee for the month by a fraction, the numerator of which is the number of days in the portion of the month under consideration and the denominator of which is the total number of days in the entire month.

(3) Notwithstanding the provisions of Standard Endorsement No. 2.2 the Port Authority shall bill the Permittee for its Counter Fee monthly. This bill shall be payable by the Permittee within ten (10) days of the aforesaid billing by the Port Authority.

(dd) The Port Authority may, by notice, elect to cease operation of a Counter or Counters effective as of a date at least thirty (30) days after notice thereof is delivered to the Permittee. Such cessation of operation of a Counter, or all the Counters, shall not be deemed a revocation of this Permit.

(ee) The Port Authority reserves the right to relocate or change the configuration of the Counters, or any of them. The Port Authority shall notify the Permittee at least thirty (30) days prior to such relocation or change.

(ff) Without limiting the generality of any other provision of this Permit, the Permittee's rights under the Counter Provisions may be revoked without cause, with respect to one or more Counters, upon thirty days' written notice by the Port Authority, provided, however, that the Counter Provisions may be revoked on twenty-four hours' notice, with respect to one or more or all Counters, if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit including those contained in the Counter Provisions, including but not limited to the obligation to pay the Counter Fee and all other fees due under this Permit. Revocation of the Permittee's rights under the Counter Provisions shall not relieve the Permittee of any liabilities or obligations under the Counter Provisions which shall have accrued on or prior to the effective date of revocation or termination or revocation of the Permit.

(gg) The Permittee agrees that it will cooperate fully with the Port Authority and its contractors to achieve the operation of Counters which serve the public in a first class manner. The Permittee shall advise the Port Authority, in writing, of any changes in its fares, schedules and/or routes, seven or more days prior to their effectuation.

(hh) The Permittee understands that the Port Authority intends to operate the Counters with personnel provided by third-party contractors; however, the Port Authority reserves the right, in its discretion, to utilize Port Authority personnel in lieu thereof.

(ii) The Permittee understands and agrees that the Port Authority intends to obtain a third-party contractor which will be obligated to use reasonable efforts to operate the Counter and that the Port Authority assumes no

SPECIAL ENDORSEMENTS

responsibility for any deficiencies in, or interruption of, operation of the Counter not caused by the Port Authority's willful misconduct.

(jj) Without limiting any other provision of this Special Endorsement, the Port Authority shall not be responsible either for collecting fees due to the Permittee from passengers utilizing its services offered hereunder, or for making the Permittee whole in connection with such fees as may remain unpaid.

(kk) No portion of this Special Endorsement shall affect the Port Authority's rights of revocation contained elsewhere in this Permit.

10. (a) The words "permission" and "privilege" are used interchangeably in this Permit and, except where expressly provided to the contrary, reference to "privilege" shall mean privileges granted by this Permit.

(b) Whenever the terms "Facility" or "Airport" appear in the Permit, they shall be deemed to mean Newark International Airport.

11. Without limiting the provisions of Section 2 of the Terms and Conditions, Standard Endorsement No. 17.1 and Special Endorsement No. 4, the Permittee understands and agrees that (1) it shall not operate the line haul service hereunder on a franchise basis or through independent contractors or otherwise than in its own name and with vehicles that are owned or leased by the Permittee and which are operated by employees of the Permittee, and (2) any and all licenses, certificates, permits, franchises or other authorization from governmental authorities necessary for the conduct of the Permittee's operations hereunder shall be issued in the name of and shall be owned solely by the Permittee.

12. Equipment assigned to the service under this Permit shall not carry exterior advertising.

13. Prior to the execution of this Permit on behalf of either the Port Authority or the Permittee, the following changes were made in Standard Endorsement as indicated; it shall be unnecessary physically to indicate the said changes:

The words "made at the office of the Treasurer of the Port Authority, One World Trade Center, New York, New York 10048 or at such other office" appearing in first paragraph of Standard Endorsement No. 2.2 were deleted and replaced by the words "mailed to the Port Authority of New York and New Jersey, Box 11309 Newark, New Jersey 07194 or such other address as the Port Authority may designate from time to time."

For the Port Authority *SR*

Initialed:

JAF _____
For the Permittee

PORT AUTHORITY OF NEW YORK AND NEW JERSEY
RECORDKEEPING REQUIREMENTS FOR LINE HAUL
GROUND TRANSPORTATION PERMITTEES

If the Permit of which this Exhibit is a part grants the privilege of operating to at and from more than one Airport, all references to "Airport" in this exhibit require that separate records be kept with respect to each Airport.

A. Dispatcher's Log - Line Haul Service

1. Date
2. Driver's name
3. Starting time - each trip
4. Ending time - each trip
5. Origin of trip
6. Destination of trip
7. Number of passengers from each location
8. Dispatcher's name

B. Driver's Trip Sheet - Line Haul Service

1. Date
2. Driver's name
 - a) Driver's ID number
 - b) Vehicle number
3. Starting mileage - each trip
4. Ending mileage - each trip
5. Total mileage
6. Record of amount of gasoline purchased/or from companies own tanks
7. Origin - each trip
 - a) Starting time
8. Destination - each trip
 - a) Ending time
9. Daily summary of Receipts
 - a) Cash
 - (1) If applicable - listing of tickets sold by serial number and value
 - b) Tickets sold by agents - list of serial number and value
 - c) Accounts to be billed
10. Daily revenues by category (cash, charge, etc.)
11. Amount of cash collected
12. Listing of expenses
13. Total cash deposited

C. Daily Summary Sheet - Reconciliation of Daily Revenue

1. Date
2. Listing of all drivers and applicable vehicle

numbers

Breakdown by Airport or non-Airport

- (1) Cash collected
- (2) Value of tickets (sold by agents) collected
- (3) Receipts to be billed
3. Each category above summarized
4. Total gross receipts for day
5. Less expenses incurred by driver detailed as above
6. Net receipts for day
7. Name of individual preparing summary

D. Other pertinent records

1. Cash receipts book
2. Cash disbursements book
3. Accounts receivable journal
 - a) Regular accounts
 - b) Tickets sold by agents
4. General journal
5. General ledger

IMPORTANT: All these records should segregate Airport and non-Airport revenues.

E. Monthly Gross Receipts Report: Backup Data

Monthly summary records are required for each month, stating the basis for gross receipts reports in terms of:

- a) Number of vehicles producing revenue during the month.
- b) Total receipts generated (Airport and departure, Airport arrival and non-Airport)
- c) Portion of total receipts associated with trips touching the airports

F. Information Requested In Connection with Radio Dispatch Auditing Process

1. Location of all Permittee offices.
2. Location of all radio dispatch operations.
3. Copy of work schedule of all radio dispatchers by location

4. Listing of all drivers -
plus Permittee's I.D. number assigned to each driver.
5. Current listing of all vehicles operated by Permittee
- identified as staff vehicle or revenue
producing vehicles.

List should include following data:

- a. Year and make of vehicle
- b. Passenger capacity of vehicle
- c. Assigned vehicle number
- d. Name of franchisee operating vehicle
- e. License plate number

Monthly Report of Gross Receipts
Line Haul Service
Name of Permittee
Port Authority Permit No.

Month _____ Year _____

	<u>JFKIA</u>	<u>LGA</u>	<u>NIA</u>	<u>Total</u>
<u>Gross Receipts</u>				
Line Haul Service	\$ _____	\$ _____	\$ _____	\$ _____
Chauffeured Limousine Service	_____	_____	_____	_____
P.A. Fee at _____%	\$ _____	\$ _____	\$ _____	\$ _____

Check # _____ Fees submitted \$ _____

State of _____)
: ss.:
County of _____)

_____, who being duly sworn, deposes
(name)
and says that he is the _____ of the above-
(title)
mentioned permittee of the Port Authority of New York and New
Jersey; that he is familiar with the gross receipts reporting
obligation of the said permittee, and that the foregoing statement
of gross receipts, as this term is defined in the permit listed
above, accurately reflects the operations and payment obligation
of the permittee for the month indicated and will thus be relied
upon by the Port Authority.

Sworn to before me this
day of _____,

(Notary Public)

AX-462

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



AGREEMENT

Port Authority Facility,
Newark International Airport

THIS AGREEMENT, made as of April 1, 1989, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), a body corporate and politic, established by compact between the States of New Jersey and New York with the consent of the Congress of the United States of America, and having an office at One World Trade Center, in the Borough of Manhattan, City, County and State of New York, and OLYMPIA TRAILS BUS COMPANY, INC. (hereinafter called the "Obligor"), a corporation organized and existing under the laws of the State of New Jersey and having an office and place of business at 200 Relocated Bayway Avenue, Elizabeth, New Jersey 07202 whose representative is Nikolas Agathis, President.

WITNESSETH, That:

WHEREAS, the Port Authority and the Obligor have heretofore entered into Port Authority Permit No. AX-462 (hereinafter called the "Permit"), dated as of March 1, 1984, and covering the privilege of conducting a certain ground transportation business to, at and from Newark International Airport, and during a portion of the effective period of permission under the said Permit covering the privilege of conducting a certain ground transportation business to, at and from Kennedy International Airport and LaGuardia Airport (such Airports being hereinafter collectively called the "Airports") as therein described; and

WHEREAS, the Obligor has disputed the amount of the fees due under the Permit and its liability therefor and after discussions the Port Authority and the Obligor reached a compromise agreement as hereinafter set forth; and

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

Section 1.

The Obligor hereby acknowledges and agrees to pay the Port Authority Thirty-seven Thousand Five Hundred Dollars and No Cents (\$37,500.00) (the "Settlement Payment") by certified or

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bank check upon the execution and delivery of this Agreement in settlement of its obligations under the Permit for the portion of the effective period of the Permit from March 1, 1984, through March 31, 1989, without set-off, counterclaim or deduction, and in addition to all other payments heretofore made to the Port Authority.

Section 2.

The Obligor represents that for the period commencing March 1, 1984, and ending March 31, 1989, it has:

(1) accurately reported to the Port Authority its gross receipts, (as such term is defined in the Permit) including its gross receipts for activity occurring during the month of March 1989;

(2) disclosed to the Port Authority all its books of account, records and other information pertinent to or connected with its revenues and operations under the Permit;

(3) disclosed to the Port Authority all other revenues and operations of the Obligor at or connected with the Airport; and

(4) also disclosed to the Port Authority all revenues and has made available to the Port Authority all books of account, records and other information in any way pertinent to or connected with operations of any company which is owned or controlled by the Obligor or which owns or controls the Obligor, if said company performs services similar to those performed under the Permit.

The Obligor hereby acknowledges that the Port Authority is relying upon the truth and accuracy of such representations in entering into this Agreement.

Section 3.

Neither this Agreement, nor any action by the Port Authority pursuant to the terms of this Agreement, nor the receipt by the Port Authority of the Settlement Payment Agreement, shall be deemed to be a waiver of any prior or subsequent default under the Permit. No remedies of the Port Authority under the Permit consequent upon such default whether prior or subsequent thereto, shall be, or be deemed, waived, limited or affected by the execution of this Agreement, or the receipt of the Settlement Payment hereunder.

Section 4.

The Obligor's promise and representation that it will strictly comply with its reporting and payment obligations under the Permit is a special consideration and inducement to the Port Authority and the Port Authority has entered into this Agreement

in reliance thereon. The Obligor's obligations under this paragraph shall be in addition to all obligations of the Obligor under the Permit and shall not, and shall not be deemed to, alter, supersede or diminish the obligations of the Obligor under the Permit or the rights and remedies of the Port Authority under the Permit upon the failure of the Obligor to pay all fees and other amounts due and owing thereunder.

Section 5.

Without waiving, limiting or affecting any rights of revocation hereunder by the Port Authority, the Obligor expressly acknowledges and agrees that in the event of the revocation of the Permit by the Port Authority or in the event the Port Authority elects not to offer to extend the period of the permission under the Permit beyond the expiration date thereof or beyond any subsequent expiration date thereof the Obligor shall never make any claim for the continuation of the Permit or the exercise of the privileges thereunder, or that the Obligor has a right to any claim for damages, consequential or otherwise based on the fact that the Permit was issued to it or the fact that the Obligor entered into this Agreement including its obligation to pay the Settlement Payment.

Section 6.

(a) As a special consideration to the Port Authority in entering into this Agreement with the Obligor and for other good and valuable consideration received by the Obligor from the Port Authority, the Obligor hereby releases and discharges the Port Authority, its Commissioners, officers, agents and employees from and against all actions, causes of action, claims and demands whatsoever, whether in law or in equity, which against the Port Authority, its Commissioners, officers, agents and employees, the Obligor, its successors and assigns heretofore can, shall or may have for, upon or by reason of, the Settlement Payment or any payments heretofore or hereafter made, or to be made, to the Port Authority by the Obligor arising or alleged to arise out of the authority or right of the Port Authority to receive and be paid fees, charges and monies under the Permit or any extension thereof, or the authority or right of the Port Authority to require, or to have required, the Obligor to enter into the Permit or any extension thereof so as to authorize the performance by the Obligor of the privileges granted under the Permit or any extension thereof or in any other way arising out of or in connection with or alleged to arise out of or in connection with the Obligor's operations to, at or from the Airports.

(b) The Obligor agrees that it shall never introduce in any suit or proceeding which may be brought by the Port Authority to recover any part or all of the Settlement Payment or any fees and charges which may be due and owing under the Permit or any extension thereof, any defense, at law or in

equity, concerning the right or authority of the Port Authority to impose fees and charges upon the Obligor for its operations to, at or from the Airports, or based upon the privileges granted to the Obligor under the Permit or any extension thereof or in any way based on the Obligor's operations to, at or from the Airports. The Obligor further agrees that it shall never commence any action or proceeding, at law or in equity, seeking as relief therein the release from the Settlement Payment or the payment of fees and charges under the Permit or any extension thereof or any other relief which would prevent or bar the Port Authority from imposing or collecting the same, or the recovery or offset of any monies heretofore, or hereafter, paid by the Obligor to the Port Authority as fees and charges based upon its operations to, at or from the Airports.

Section 7.

Any notice given by the Port Authority under this Agreement shall be in writing and shall be deemed sufficiently rendered to the Obligor if forwarded by certified or registered mail addressed to 200 Relocated Bayway Avenue, Elizabeth, New Jersey 07202 which location the Obligor irrevocably designates for the purposes of such service. Said notice shall be deemed effective as of the date of the certified mailing thereof.

Section 8.

All the provisions of the Permit, as the same may have been previously supplemented and amended, shall be and remain in full force and effect.

Section 9.

The parties acknowledge that there have been various oral conversations between them and written communications not executed by both parties with respect to the indebtedness of the Obligor to the Port Authority and the fees payable or to be payable to the Port Authority under the Permit prior to March 31, 1989, (the Obligor agreeing that this acknowledgment shall not alter the provision in the Permit under which it may be revoked on thirty days' notice by the Port Authority) and that these oral conversations and written communications not executed by both parties and any understandings arising, or alleged to have arisen therefrom, were terminated, discharged and agreed to be of no force and effect simultaneously with the execution of this Agreement. These conversations and any understandings arising, or alleged to have arisen therefrom, do not form, and shall not be deemed to form, a part of this Agreement. The parties further acknowledge and agree that this Agreement constitutes the only and entire agreement of the parties on the subject matter hereof, that any and all prior agreements, written or otherwise, with respect thereto, are of no force or effect and that this Agreement may not be changed, modified, discharged or extended except by a written instrument duly executed by the Port Authority and the Obligor. The Obligor agrees that no

representations, conversations, understandings or warranties shall be binding upon the Port Authority unless expressed in writing in this Agreement.

Section 10.

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

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

ATTEST:

V. DeBartolomei
Secretary

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By *Gerald P. Fitzgerald*
(Title) ASSISTANT DIRECTOR OF AVIATION
(Seal)

ATTEST:

[Signature]
Secretary

OLYMPIA TRAILS BUS COMPANY, INC.

By *[Signature]*
(Title) PRESIDENT
(Corporate Seal)

APPROVED:
FORM | TERMS
[Signature] | *[Signature]* 1/10/91

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

On this 22 day of February, 1991,
before me, the subscriber, a notary public of New York,
personally appeared the Donald P. Fitz Gerald 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.

Jacqueline White
(notarial seal and stamp)

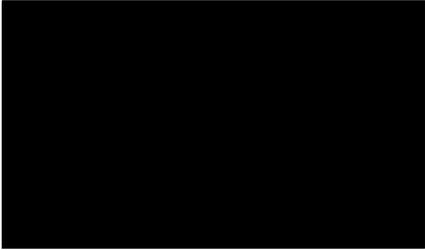
JACQUELINE WHITE
Notary Public, State of New York
No. 4737769
Qualified in Suffolk County
Commission Expires May 31, 1991

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

On this 28th day of December, 1990, before
me, the subscriber, a notary public of the State of New Jersey,
personally appeared Nikolas Agathis
the President of OLYMPIA TRAILS BUS COMPANY, INC., 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.

WJ
(notarial seal and stamp)
William T. Agathis, Esq.
An Attorney at Law of
the State of New Jersey

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



John F. Kennedy and Newark International
and LaGuardia Airports
Port Authority Permit No. AX-530
(formerly Permit No. ANA-229)
Supplement No. 1

SUPPLEMENT TO PERMIT

THIS AGREEMENT, dated as of December 1, 1988, by and
between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
(hereinafter referred to as the "Port Authority") and TRANS-
BRIDGE LINES, INC. (hereinafter referred to as the "Permittee"),

WITNESSETH, that the Port Authority and the Permittee
hereby agree to amend, effective as of the dates set forth
hereinafter, that certain Permit dated as of March 31, 1985,
(identified above by Port Authority Permit Number and granting
the privilege of conducting a ground transportation service to
and from the abovementioned Port Authority facilities), issued by
the Port Authority to the Permittee, as the same may have been
previously supplemented and amended, called the "Permit", as
follows:

1. Effective as of December 1, 1988, the Permit
Number "ANA-229" listed on the first page of the Permit shall be
deemed deleted therefrom and the number "AX-530" shall be deemed
inserted in lieu thereof.

2. Effective as of December 1, 1988, the word
"Facility" shall be deemed to read "Facilities" in Item No. 1 on
the first page of the Permit and the Facilities shall be deemed
to be "John F. Kennedy and Newark International and LaGuardia
Airports".

3. Effective as of December 1, 1988, Special
Endorsement No. 1 (b) (1) shall be deemed amended as follows:

(a) Subparagraph (b), (1) shall be redesignated
(b) (1) (i) and the words "Newark International Airport" in the
fourth line thereof shall be deemed deleted therefrom and the

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words "John F. Kennedy and Newark International and LaGuardia Airports" shall be deemed inserted in lieu thereof.

(b) A new subparagraph (ii) shall be deemed added immediately following subparagraph (i) thereof to read as follows:

"(ii) Effective as of August 21, 1992, the Permittee is hereby granted the non-exclusive privilege to provide and the Permittee hereby agrees to conduct the business of providing a ground transportation service by chauffeured motor vehicle for all persons (and their baggage) desiring transportation by the Permittee between Newark International Airport and the Port Authority Bus Terminal on the one hand, and Doylestown, Pennsylvania on the other hand."

(c) The following shall be deemed inserted at the end of the final unnumbered paragraph of Special Endorsement No. 1 (b) (1): "The Permittee shall have no obligation to provide service to or from LaGuardia Airport unless the Port Authority and the Permittee shall so agree in writing. The Permittee shall have no right to provide service to or from the Port Authority Bus Terminal hereunder except as and to the extent the service is provided pursuant to Port Authority Bus Terminal License Agreement No. BTL-86 between the Port Authority and the Permittee, dated as of December 15, 1981."

4. Effective as of May 9, 1994, Special Endorsement No. 2 (b) shall be deemed deleted in its entirety and the following shall be deemed inserted in lieu thereof:

"(b) Without limiting the provisions of paragraph (a) of this Special Endorsement No. 2, it is hereby understood and agreed that in the event that the Permittee has a separate permit from the Port Authority authorizing it to provide "airline vehicular transportation service" at the Airports (as such term is defined in such separate permit), or in the event that the Permittee has a separate permit from the Port Authority to provide "airline arranged limousine transportation service" at the Airports (as such term is defined in such separate permit), or in the event the Permittee has both such separate permits, any monies received or receivable by the Permittee from its customers for such "airline vehicular transportation service" or such "airline arranged limousine transportation service" (under

such separate permit or permits) shall be excluded from gross receipts under this Permit."

5. Effective as of December 1, 1988, Special Endorsement No. 10 (b) shall be deemed deleted in its entirety and the following shall be deemed inserted in lieu thereof:

"(b) Whenever the terms "Facility", "Facilities", "Airport" or "Airports" shall appear in the Permit it shall be deemed to mean John F. Kennedy and Newark International and LaGuardia Airports, any or all of them as the case may be or the context require."

6. Effective as of December 1, 1988, Standard Endorsements No. 19.1, No. 19.2 and No. 19.6, attached hereto and hereby made a part hereof, shall be deemed added to the Permit.

7. Effective as of March 31, 1991, the period of the permission granted under the Permit is extended for the period ending February 29, 1996, subject, however, to earlier termination or revocation in accordance with the terms and provisions of the Permit. All obligations undertaken by the Permittee pursuant to the Permit and any Supplements thereto and pursuant to the Alteration Permit(s), if any, issued in connection therewith shall remain in full force and effect.

8. Effective as of December 1, 1988, Special Endorsement No. 8 (a) shall be deemed amended by inserting the words "except any round fare rate valid between the Airports (such round fare to all constitute gross receipts)" following the word rate on the eleventh line thereof.

9. Effective as of July 1, 1995, Standard Endorsement No. 21.1 shall be deleted in its entirety and the following new Special Endorsement No. 14 shall be added to the Permit to read as follows:

"14. (a) The Permittee in its own name as insured and including the Port Authority as an additional insured shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of comprehensive general liability insurance, covering bodily injury liability, including death, and property damage liability, and providing for coverage in the minimum limit set forth below and comprehensive automobile liability, including owned, non-owned and newly acquired vehicles, covering bodily injury liability, including death, and property damage

liability and providing for coverage in the minimum limit set forth below. All the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protection afforded the Permittee thereunder with respect to any claim or action by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority but such endorsement shall not limit, vary, change or affect the protection afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protection afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the Permittee shall be the same as the protection afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person as if the Port Authority were the named insured thereunder. The said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

	<u>Minimum Limit</u>
Comprehensive General Liability:	
Combined single limit per occurrence for death, bodily injury and property damage liability	\$2,000,000
Comprehensive Automobile Liability:	
Combined single limit per occurrence for death, bodily injury and property damage liability	\$5,000,000

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

(b) Notwithstanding any minimum insurance coverage limits set forth in the Permit it is specifically understood and agreed that the Port Authority shall have the right to review all insurance coverages and policies required by the Port Authority for adequacy of terms, conditions and limits and upon notice to the Permittee,

given from time to time and at any time, to require the Permittee to amend or modify the insurance coverage, or may require such other or additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority.

(c) A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. Each policy, certificate or binder delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each such copy or certificate required 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. Any renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority."

10. As hereby amended, all the provisions of the Permit shall be and remain in full force and effect.

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 Permittee with any liability, or held liable to the Permittee, under any term or provision of this Supplement, or because of its execution or attempted execution, or because of any breach thereof.

IN WITNESS WHEREOF, the Port Authority and the Permittee have caused these presents to be executed.

Dated: As of December 1, 1988

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By *Gary L. Davis*

Gary L. Davis
General Manager
(Title) Central Business Division
Aviation Department
TRANS-BRIDGE LINES, INC.
Permittee

By *James J. Moran*

(Title) President

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

Notwithstanding any other provision of this Permit, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of La Guardia Airport from the City of New York to the Port Authority under the agreement between the City and the Port Authority dated April 17, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated April 17, 1947 has been recorded in the Office of the Register of The City of New York, County of Queens, on May 22, 1947, in Liber 5402 of Conveyances, at pages 319 et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

"La Guardia Airport" or "Airport" shall mean the land and premises in The City of New York, in the County of Queens and State of New York, which are shown in green upon the exhibit attached to said agreement between the City and the Port Authority and marked "Map I", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

ENDORSEMENT NO. 19.1

La Guardia Airport

5/19/49

Notwithstanding any other provisions of this Permit, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of John F. Kennedy International Airport from The City of New York to the Port Authority under the agreement between the City and the Port Authority dated April 17, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated April 17, 1947 has been recorded in the Office of the Register of The City of New York, County of Queens, on May 22, 1947, in Liber 5402 of Conveyances, at pages 319 et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

"John F. Kennedy International Airport" or "Airport" shall mean the land and premises in The City of New York, in the County of Queens and State of New York, which are shown in green upon the exhibit attached to said agreement between the City and the Port Authority and marked "Map II", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

ENDORSEMENT NO. 19.2

JFKIA

1/16/64

"Port Authority Bus Terminal" or "Terminal" shall mean the building bounded by 40th and 41st Streets, 8th and 9th Avenues, in the City, County and State of New York and the extension of the Port Authority Bus Terminal, contiguous thereto and lying to the north thereof; all of which now constitutes the Port Authority Bus Terminal.

STANDARD ENDORSEMENT NO. 19.6

Port Authority Bus Terminal

2/09/89

:For Port Authority Use Only:
:
: AX-558 :

PORT AUTHORITY OF NEW YORK AND NEW JERSEY
One World Trade Center
New York, New York 10048

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called "the Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at the Port Authority Facilities hereinafter named, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. FACILITY: John F. Kennedy and Newark International and LaGuardia Airports
2. PERMITTEE: OLYMPIA TRAILS BUS COMPANY, INC., a corporation of the State of New Jersey
3. PERMITTEE'S ADDRESS: P.O. Box 9261
200 Relocated Bayway Avenue
Elizabeth New Jersey 07202
4. PERMITTEE'S REPRESENTATIVE: Nikolas Agathis, President
5. PRIVILEGE: As set forth in Special Endorsement No. 1
6. FEES: Five Percent (5%) of the Permittee's Gross Receipts
7. EFFECTIVE DATE: January 1, 1990
8. EXPIRATION DATE: December 31, 1992, unless sooner revoked or terminated as provided in Section 1 of the following Terms and Conditions.
9. ENDORSEMENTS: 1.1, 2.2, 2.8, 8.0, 9.1, 9.5, 9.6, 10.1, 16.1, 17.1, 18.1, 19.1, 19.2, 19.3, 22, ~~23.1~~, 28 and SPECIAL.

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By Gerald P. FitzGerald
(Title) ASSISTANT DIRECTOR OF AVIATION

OLYMPIA TRAILS BUS COMPANY, INC.
Permittee

By [Signature]
(Title) Vice President

Dated: as of January 1, 1990

APPROVED:	
FORM	TERMS
<u>[Signature]</u>	<u>[Signature]</u>

Sec F 16642

12/12/77

TERMS AND CONDITIONS

1. The permission granted by this Permit shall take effect upon the effective date hereinbefore set forth. ~~Notwithstanding any other term or condition hereof, it may be~~ revoked at any time by the Port Authority, with or without cause, and with or without prior notice. ~~Unless sooner revoked, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.~~

2. The rights granted hereby shall be exercised

(a) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(b) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(c) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees, or

(d) if the Permittee is an individual, by the Permittee acting only personally or through the medium of his employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other person, corporation or legal entity. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

3. This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

4. The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Facility. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the Manager of the Facility. The Port Authority shall have the right to object to the Permittee regarding the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

5. In the use of the parkways, roads, streets, bridges, corridors, hallways, stairs and other common areas of the Facility as a means of ingress and egress to, from and about the Facility, and also in the use of portions of the Facility to which the general public is admitted, the Permittee shall conform (and shall require its employees, invitees and others doing business with it to conform) to the Rules and Regulations of the Port Authority which are now in effect or which may hereafter be adopted for the safe and efficient operation of the Facility.

The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Facility beyond a reasonable loading or discharging time, except in regular parking areas and upon payment of the regular charges therefor.

6. The Permittee 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 or personal injuries, or for property damages, arising out of any of the operations, acts or omissions of the Permittee hereunder; this indemnity shall extend to and include the contractual obligation of indemnity, if any, undertaken by the Port Authority in favor of the lessor, if any, of the Facility.

7. The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations hereunder. The Permittee shall not install any fixtures or make any alterations or improvements in or additions or repairs to any property of the Port Authority except with its prior written approval.

8. Any property of the Permittee placed on or kept at the Facility by virtue of this Permit shall be removed on or before the expiration of the permission hereby granted. ~~In the event of revocation, the Permittee shall have two days, exclusive of Saturdays, Sundays and legal holidays (as determined by the laws of the State of New Jersey or of the State of New York, as the case may require), after the effective date of revocation, in which to remove such property.~~

If the Permittee shall so fail to remove such property upon the expiration or revocation hereof, the Port Authority may at its option, as agent for the Permittee and at the risk and expense of the Permittee, 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 days may sell the same at public auction; the proceeds of any such sale shall be applied first to the expenses of removal, sale and storage, second to any sums owed by the Permittee to the Port Authority; any balance remaining shall be paid to the Permittee. Any excess of the total cost of removal, storage and sale over the proceeds of sale shall be paid by the Permittee to the Port Authority upon demand.

9. The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit. Without in any wise limiting its obligations under Section 6 hereof the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

10. The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Facility or to be placed or brought on the

Facility, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

11. No signs, posters or similar devices shall be erected, displayed or maintained by the Permittee in view of the general public without the written approval of the Manager of the Facility; and any not approved by him may be removed by the Port Authority at the expense of the Permittee.

12. The Permittee's representative hereinbefore specified (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and to do any act or thing to be done hereunder, and to execute on behalf of the Permittee any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. As used herein:

(a) The term "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee, it shall mean the Executive Director of the Port Authority for the time being, or his duly designated representative or representatives.

~~(b) The terms "Manager of the Facility" or "General Manager of the Facility" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Manager or General Manager (or temporary or Acting Manager or General Manager) of the Facility for the time being, or his duly designated representative or representatives.~~

14. A bill or statement may be rendered and any notice or communication which the Port Authority may desire to give the Permittee shall be deemed sufficiently rendered or given, if the same is in writing and sent by registered mail addressed to the Permittee at the address specified on the first page hereof or at

Prior to the execution of this Permit by either party, the following changes were made in the foregoing Terms and Conditions and the following substitutions shall be deemed to have been made:

- (a) The last three sentences of Section 1 were deleted and the following sentences shall be deemed to have been inserted therefor:

"Notwithstanding any other term or condition hereof, it may be revoked without cause, upon thirty days' written notice, by the Port Authority or terminated without cause, upon thirty days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four hours' notice if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation or termination shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination."

- (b) The last sentence of the first paragraph of Section 9 was deleted and the following clause shall be deemed to have been added to the first sentence of the said first paragraph.

"or on or before the revocation or termination of the permission hereby granted, whichever shall be earlier."

- (c) The word "termination" shall be deemed to have been inserted after the word "expiration" in the first or second line of the last paragraph of Section 9.

It shall be unnecessary to physically indicate the foregoing deletions on the foregoing Terms and Conditions.

STANDARD ENDORSEMENT NO. 1.1

TERMINATION AND REVOCATION
All Facilities
10/3/66

The fees hereunder shall be due and payable on the twentieth day of the month following the calendar month in which the effective date hereof falls, and on the twentieth day of each month thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar month, the final payment of the fees shall be due and payable within twenty (20) days after the effective date of expiration, revocation or termination except as otherwise provided herein.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 17309
NEWARK, NEW JERSEY 07194

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

STANDARD ENDORSEMENT NO. 2. 2

FEE-PERCENTAGE

All Facilities

10/30/85

In connection with the exercise of the privilege granted hereunder, the Permittee shall,

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

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

(c) Maintain, in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation or termination thereof, and for a further period extending until the Permittee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District;

(d) Permit in ordinary business hours during the effective period of the Permit and for one year thereafter, the examination and audit by the officers, employees, and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Permittee, or which owns or controls the Permittee, if said company performs services, similar to those performed by the Permittee, anywhere in the Port of New York District;

(e) Permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to cash registers;

(f) Furnish on or before the twentieth day of each month following the effective date of this Permit a sworn statement of gross receipts arising out of operations of the Permittee hereunder for the preceding month.

(g) Furnish on or before the twentieth day of April of each calendar year following the effective date of this Permit a statement of all gross receipts arising out of operations of the Permittee hereunder for the preceding calendar year certified, at the Permittee's expense, by a certified public accountant;

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

STANDARD ENDORSEMENT NO. 2.8
BUSINESS DEVELOPMENT AND RECORDS
AIRPORTS

4/9/79

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Endorsement with respect to such unpaid amount. Nothing in this Endorsement is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 1 of the Terms and Conditions of this Permit or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Endorsement shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

STANDARD ENDORSEMENT NO. 8.0
LATE CHARGES
All Facilities
7/30/82

The Permittee shall

(a) Furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(c) Charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

STANDARD ENDORSEMENT NO. 9.1

FEDERAL AIRPORT AID

Airports

1/19/81

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

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

(c) The Permittee's noncompliance with the provisions of this Endorsement shall constitute a material breach of this Permit. In the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

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

(e) Nothing contained in this Endorsement shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any Space under the Permit.

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

STANDARD ENDORSEMENT NO. 9.6
AIRPORTS
AFFIRMATIVE ACTION

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

STANDARD ENDORSEMENT NO. 10.1

GARBAGE

AIRPORTS

7/12/49

The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further reasonable rules and regulations which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport including any Space covered by this Permit, or for the safe and efficient operation of the Airport including any space covered by this Permit. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five days before the Permittee shall be required to comply therewith.

The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification. The badges or means of identification shall be subject to the written approval of the Airport Manager.

STANDARD ENDORSEMENT NO. 16.1

RULES & REGULATIONS COMPLIANCE

Airports

6/29/62

The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Facility which may be necessary for the Permittee's operations thereat.

The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operation hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Facility.

The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Facility and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

STANDARD ENDORSEMENT NO. 17.1

LAW COMPLIANCE

All Facilities

8/29/49

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

STANDARD ENDORSEMENT NO. 18.1

NO PERSONAL LIABILITY

All Facilities

6/1/50

Notwithstanding any other provision of this Permit, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of La Guardia Airport from the City of New York to the Port Authority under the agreement between the City and the Port Authority dated April 17, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated April 17, 1947 has been recorded in the Office of the Register of The City of New York, County of Queens, on May 22, 1947, in Liber 5402 of Conveyances, at pages 319 et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

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The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

ENDORSEMENT NO. 19.1

La Guardia Airport

5/19/49

Notwithstanding any other provisions of this Permit, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of John F. Kennedy International Airport from The City of New York to the Port Authority under the agreement between the City and the Port Authority dated April 17, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated April 17, 1947 has been recorded in the Office of the Register of The City of New York, County of Queens, on May 22, 1947, in Liber 5402 of Conveyances, at pages 319 et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

"John F. Kennedy International Airport" or "Airport" shall mean the land and premises in The City of New York, in the County of Queens and State of New York, which are shown in green upon the exhibit attached to said agreement between the City and the Port Authority and marked "Map II", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

ENDORSEMENT NO. 19.2

JFKIA

1/16/64

Notwithstanding any other provision of this Permit, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of Newark International Airport from The City of Newark to the Port Authority under the agreement between the City and the Port Authority dated October 22, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated October 22, 1947 has been recorded in the Office of the Register of Deeds for the County of Essex on October 30, 1947 in Book E-110 of Deeds at pages 242, et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

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

The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

STANDARD ENDORSEMENT NO. 19.3
PARTICULAR FACILITY
Newark International Airport
3/15/74

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, or if the Permittee's operations hereunder are in New Jersey, the National Board of Fire Underwriters and The Fire Insurance Rating Organization of N.J., and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Endorsement, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

The Permittee shall not do or permit to be done any act which

- (a) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
- (b) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
- (c) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
- (d) may cause or produce upon the Airport any unusual, noxious or objectionable smokes, gases, vapors or odors, or
- (e) may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire-protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Airport, or
- (f) shall constitute a nuisance in or on the Airport or which may result in the creation, commission or maintenance of a nuisance in or on the Airport.

For the purpose of this Endorsement, "Airport" includes all structures located thereon.

(a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the sum of ~~One Thousand Dollars and No Cents (\$1,000.00)~~

— 0 — *LOG 6/1/80*

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

Standard Endorsement No. 23.1 (Page 1)
Security Deposit
All Facilities
6/12/87

all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Standard Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

Standard Endorsement No. 23.1 (Page 2)
Security Deposit
All Facilities
6/12/87

If any type of strike or other labor activity is directed against the Permittee at the Facility or against any operations pursuant to this Permit resulting in picketing or boycott for a period of at least forty-eight (48) hours which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Facility or the operations of other permittees, lessees or licensees thereat, whether or not the same is due to the fault of the Permittee, and whether caused by the employees of the Permittee or by others, the Port Authority may at any time during the continuance thereof, by twenty-four (24) hours' notice, revoke this Permit effective at the time specified in the notice. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

STANDARD ENDORSEMENT NO. 28
DISTURBANCES
All Facilities
6/20/51

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of John F. Kennedy and Newark International and LaGuardia Airports as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) hereof to, at and from the Airports.

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

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as "the Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises, of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

SPECIAL ENDORSEMENTS

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator--(although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies for excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operators and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as

SPECIAL ENDORSEMENTS

necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the Service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be so constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyance shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicle transportation service shall be moved unless and until all person therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operators at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint adventure is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

SPECIAL ENDORSEMENTS

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including the full charge for any trips, any part of which trip is on any of the Airports, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

✓ (i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

✓ (ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Standard Endorsement No. 2.8 or Special Endorsement No. 2 hereof, the Permittee shall, simultaneously with its payment of fees each month as provided in Standard Endorsement No. 2.2, file a monthly report of gross receipts in the form attached hereto and made a part hereof as Exhibit "A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or nonbinding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean John F. Kennedy and Newark International and LaGuardia Airports, any or all of them, as the case may be or the context require.

SPECIAL ENDORSEMENTS

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to John F. Kennedy and Newark International and LaGuardia Airports.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

(e) Paragraph 13(b) of the Terms and Conditions shall be deleted in its entirety.

8. Without limiting the provisions of Standard Endorsement No. 17.1, the Permittee shall procure all licenses, certificates, permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall

SPECIAL ENDORSEMENTS

relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) In addition to the obligations set forth in this Section and all other insurance required under this Permit, the Permittee in its own name as insured and including the Port Authority as an additional insured shall maintain and pay the premiums on the following described policy or policies of insurance in not less than the following limits which shall cover its operations hereunder and shall be effective during the effective period of this Permit:

(i) Comprehensive General Liability Insurance covering bodily injury including wrongful death, and property damage which shall not exclude property damage to any property in the care, custody and control of the Permittee, in the minimum amount of \$2,000,000 combined single limit for each occurrence.

(ii) With respect to each vehicle having a seating capacity of 15 or less passengers: Comprehensive Automobile Liability Insurance to include owned, non-owned and hired vehicles, as applicable, covering bodily injury including wrongful death, and property damage, which shall not exclude property damage to any property in the care, custody and control of the Permittee, in the minimum amount of \$1,500,000 combined single limit for each occurrence.

(iii) With respect to each vehicle having a seating capacity of 16 or more passengers: Comprehensive Automobile Liability Insurance to include owned, non-owned and hired vehicles, as applicable, covering bodily injury including wrongful death, and property damage, which shall not exclude property damage to any property in the care, custody and control of the Permittee, in the minimum amount of \$5,000,000 combined single limit for each occurrence.

(b) The Permittee shall secure as part of each said policy of insurance a contractual liability endorsement covering the obligations of the Permittee, none of the foregoing policies to contain any exclusion for bodily injury to or sickness, disease or death of any employee of the Permittee which would conflict with or in any way impair coverage on the contractual liability endorsement. The insurance required hereunder shall also provide or contain an endorsement providing that the protections afforded the Permittee thereunder with respect to any

SPECIAL ENDORSEMENTS

claim or action by a third person shall pertain and apply with like effect with respect to any claims or actions against the Permittee by the Port Authority, and that said protections shall also pertain and apply with respect to any claim or action against the Port Authority by the Permittee, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority by the Permittee shall be the same as the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person as if the Port Authority were the named insured thereunder. Notwithstanding the minimum limits set forth herein it is specifically understood and agreed that the Port Authority shall have the right upon notice to the Permittee given from time to time and at any time to require the Permittee to increase any or all of the said limits and the Permittee shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority. If at any time the Port Authority so requests a certified copy of each of the insurance policies shall be delivered to the Port Authority.

(c) (i) 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. (ii) Certified copies of the above 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 Permit. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or certificate. Such copies, certificate, certificates or binders shall contain a valid provision on endorsement that the policy or policies may not be cancelled, terminated, changed or modified without giving thirty (30) days' written notice thereof to the Port Authority. A renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the effective period of this Permit, as the same may from time to time be 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 the companies issuing such policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement.

SPECIAL ENDORSEMENTS

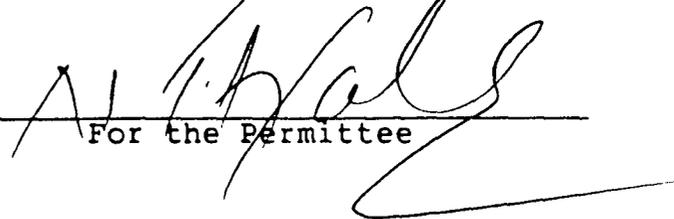
11. All reference in paragraphs (b) and (c) of Standard Endorsement No. 1.1 to Section 9 of the Terms and Conditions of the Permit shall be deemed to mean and refer to Section 8 of the Terms and Conditions of the Permit.

12. The Permittee hereby certifies that its Federal Tax Identification No. is [REDACTED] for the purposes of Standard Endorsement No. 23.1.

Initialed:



For the Port Authority



For the Permittee

Monthly Report of Gross Receipts
Airline Vehicular Transportation Service
Name of Permittee
Port Authority Permit No.

	Month _____	Year _____			
	<u>JFK</u>	<u>LGA</u>	<u>NIA</u>	<u>Total</u>	
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____	
P.A. Fee at 5%	\$ _____	\$ _____	\$ _____	\$ _____	
Check # _____ for payment of the above fees is enclosed				\$ _____	

State of _____)
:ss.:
County of _____)

_____, who being duly sworn,
deposes _____ (name)
and says that he is the _____ of the above-
_____ (title)
mentioned Permittee of the Port Authority of New York and New
Jersey; that he is familiar with the gross receipts reporting
obligation of the said Permittee, and that the foregoing statement
of gross receipts, as this term is defined in the Permit listed
above, accurately reflects the operations and payment obligation of
the Permittee for the month indicated and will thus be relied upon
by the Port Authority.

(Handwritten Signature of
Person Sworn)

Sworn to before me this _____
day of _____,

(Notary Public)

: For Port Authority Use Only :
: Permit Number: AX-846 :

**LAGUARDIA AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT**

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** SHUTTLE ASSOCIATES, LLC., a New York State Corporation
2. **PERMITTEE'S ADDRESS:** 45-02 Ditmars Blvd. Suite 19
Astoria, New York 11105
3. **PERMITTEE'S REPRESENTATIVE:** Thomas Herrschaft, President and CEO
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof
5. **FEES:** Five percent (5%) of monthly gross receipts
6. **EFFECTIVE DATE:** October 1, 2009
7. **EXPIRATION DATE:** September 30, 2019, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** \$155,000.00
9. **INSURANCE REQUIREMENTS:** \$2,000,000.00 minimum limit Commercial General Liability
\$5,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** 10.1, 28, Exhibit A and Special Endorsements.

Dated: As of October 1, 2009

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

By *David Kaghan*
 Name _____
 (Title) David Kaghan (Please Print Clearly)
Assistant Director
Business, Properties & Airport Development

SHUTTLE ASSOCIATES, LLC., Permittee
 By *Thomas Herrschaft* VP.
 Name THOMAS-HERRSCHAFT
 (Please Print Clearly)
 (Title) Member/Manager

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u><i>JH</i></u>	<u><i>WH</i></u>

[Handwritten initials]

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

- (i) representation and accommodation;
- (ii) load control and communications;
- (iii) unit load device control, handling and administration in connection with Cargo Aircraft;
- (iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "Cleaning Service" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "Effective Date" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "Environmental Requirement" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and

agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(o) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(p) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided, however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(q) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos,

polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(r) “*In-Terminal Handling Service*” shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

- (i) furnishing interpreters for the assistance of non-English-speaking passengers;
- (ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;
- (iii) selling of tickets for air transportation;
- (iv) checking in and boarding aircraft passengers;
- (v) porter service for passenger baggage;
- (vi) passenger assistance, passenger information service, flight information and public address paging and announcements;
- (vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee’s performance of the other activities constituting a part of the In-Terminal Handling Service;
- (viii) the arrangement of ground transportation of crew, passengers and baggage;
- (ix) handicapped services;
- (x) security and pre-board screening;
- (xi) building janitorial and maintenance; and
- (xii) lounge hosting services.

(s) “*Passenger Aircraft*” shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(t) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:

- (i) representation and accommodation;
- (ii) load control and communications on ramp;
- (iii) unit load device control, handling and administration;

(iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;

(v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;

(vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;

(vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(viii) providing, positioning/removing, and operating appropriate units for engine starting;

(ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;

(x) towing of Passenger Aircraft;

(xi) ramp control tower services for Passenger Aircraft;

(xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;

(xiii) ramp area cleaning;

(xiv) mobile fueling on the Permittee's own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(u) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(v) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(x) "*Routine and Non-routine Aircraft Maintenance*" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days' written notice by the Port Authority, or terminated without cause upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than "without cause", the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and

whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and

the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required

Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a)(i) of this Section or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a)(i) of this Section. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the Required Security Deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a)(i) of this Section. The Permittee shall have the same rights to receive such Required Security Deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the effective period of the permission granted under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount.

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and

delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit

on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The

aforsaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for

the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

(a) Without limiting the generality of any of the provisions of this Permit, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (1) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of any space at the Airport and the exercise of any privileges under this Permit, (2) that in the construction of any improvements on, over, or under any space at the Airport and the furnishing of any service thereon by the Permittee, no person on the grounds of

race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the Permittee shall use any space at the Airport and exercise any privileges under this Permit in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations

and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided,

however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of

any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in

the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any period following such expiration, revocation or termination.

30. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

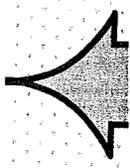
Initialed:



For the Port Authority



For the Permittee



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

STANDARD ENDORSEMENT NO. 10.1

GARBAGE

All Facilities

9/04

If any type of strike or other labor activity is directed against the Permittee at the Facility or against any operations pursuant to this Permit resulting in picketing or boycott for a period of at least forty-eight (48) hours, which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Facility or the operations of other permittees, lessees or licensees thereat, whether or not the same is due to the fault of the Permittee, and whether caused by the employees of the Permittee or by others, the Port Authority may at any time during the continuance thereof, by twenty-four (24) hours' notice, revoke this Permit, effective at the time specified in the notice. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

STANDARD ENDORSEMENT NO. 28

DISTURBANCES

All Facilities

6/20/51

SPECIAL ENDORSEMENT

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

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

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the

need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its

operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and Conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms “Facility”, “Airport” or “Airports” appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words “permission” and “privilege” are used interchangeably in this Permit.

(c) The term “Manager of the Airport” shall mean “General Manager of the Airport” as the context may require with respect to each Airport.

(d) The term “Scheduled Aircraft Operator” shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

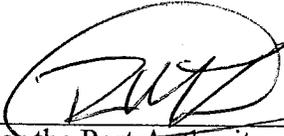
(e) The term “LaGuardia Airport” shall mean the area consisting of certain premises identified as “LaGuardia Airport” on Sheet LGA-1 of Exhibit A, and more particularly described in Exhibit B, annexed to the City Lease, and such other property as may be acquired in connection with and added to such premises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

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

(g) The term “Newark Liberty International Airport” shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked “Exhibit A”, as contained within the limits of a line of crosses appearing on said exhibit and designated “Boundary of terminal area in the City of Newark”, and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

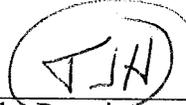
8. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

9. The Permittee hereby certifies that its federal taxpayer identification number is [REDACTED]



For the Port Authority

Initialed:



For the Permittee

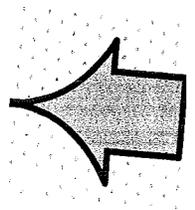


EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
Gross Receipts	\$ _____	\$ _____	\$ _____	\$ _____
P.A. Fee at 5%	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of NEW YORK)
 County of Queens)ss

Thomas Henry V.P. who being duly sworn, deposes and says that he is
 (name)

the V.P. of the above-mentioned Permittee of the Port Authority
 (title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

Thomas Henry V.P.
 (Handwritten Signature of Person Sworn)

sworn to before me this AUGUST
19th day of 2009
Michael Koch
 (Notary Public)

MICHAEL J. KOCH
 Notary Public, State of New York
 No. # 01K04958288
 Term Expires 10/30/09

Initialed:

[Signature]
 For the Port Authority
[Signature]
 For the Permittee

: For Port Authority Use Only

: Permit Number: AX-851

**LAGUARDIA AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT**

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

- 1. **PERMITTEE:** HIGHLAND INTERNATIONAL TRANSPORTATION SERVICES, INC., a New York State Corporation
- 2. **PERMITTEE'S ADDRESS:** 35-06 35TH St.
Astoria, New York 11106
- 3. **PERMITTEE'S REPRESENTATIVE:** Hassan Eltigani
- 4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
- 5. **FEES:** Five percent (5%) of monthly gross receipts.
- 6. **EFFECTIVE DATE:** April 1, 2010
- 7. **EXPIRATION DATE:** March 30, 2020, unless sooner revoked or terminated as herein provided.
- 8. **ENDORSEMENTS:** 2.2, 2.8, 8.0, 9.1, 9.5, 9.6, 10.1, 12.1, 16.1, 17.1, 22, 28, Special Endorsements, Exhibit A and Insurance Schedule.

Dated: As of April 1, 2010

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

By 
 Name David Kagan
Assistant Director
Business (Operations & Airport Development)
 (Title) _____

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u></u>	<u>LLF</u>

**HIGHLAND INTERNATIONAL TRANSPORTATION
SERVICES, INC., Permittee**

By 
 Name HASSAN ELTIGANI
 (Please Print Clearly)
 (Title) President

LLF/NEI

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

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

(b) "Airport" or "John F. Kennedy International Airport," and LaGuardia Airport, consisting of certain premises identified as "LaGuardia Airport" on Sheet LGA-1 shall mean the land and premises in the City, in the County of Queens and State of New York; "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey; which are shown in green upon the exhibit attached to the Basic Lease and marked "Map II", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

(c) "Approved Aircraft Operator" shall mean in the singular and "Approved Aircraft Operators" shall mean in the plural an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

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

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

(f) "Basic Percentage Fee" shall have the meaning given such term in Section 4(a)(i) hereof.

(g) "City" shall mean The City of New York.

(h) "Effective Date" shall mean that date appearing in Item 6 on page 1 of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(i) "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(j) "General Manager of the Airport" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(k) "Gross Receipts" shall include all monies paid or payable to the Permittee arising from the performance of Routine and Non-routine Aircraft Maintenance at the Airport in connection with its operations under this Permit, regardless of when or where the order therefor is received, provided, however, the following shall not be included in Gross Receipts hereunder:

(i) Any taxes imposed by law which are separately stated to and paid by a customer and are directly payable to a tax collecting authority by the Permittee;

(ii) Monies paid or payable to the Permittee which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(iii) Monies paid or payable to the Permittee which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iv) Monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(k) "Hazardous Substance" shall mean in the singular and "Hazardous Substances" shall mean in the plural any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos,

polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(l) "Passenger Aircraft" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(m) "Permitted Areas" shall mean the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide Routine and Non-routine Aircraft Maintenance;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third person or has otherwise permitted a third person to use and occupy and where (x) the Permittee performs Routine and Non-routine Aircraft Maintenance on such area for such person or has obtained permission from such person to perform Routine and Non-routine Aircraft Maintenance for an Approved Aircraft Operator on such area and (y) the performance of Routine and Non-routine Aircraft Maintenance for such Authorized Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of Routine and Non-routine Aircraft Maintenance by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

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

(o) "Routine and Non-routine Aircraft Maintenance" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on page 1 of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the "Effective Date" appearing in Item 6 on

page 1 of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause, upon thirty (30) days' written notice, by the Port Authority or terminated without cause, upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(d) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and to revoke this Permit. Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(ii) In the event the Port Authority exercises its right to revoke the Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on page 1 of the Permit. No exercise by the Port Authority of its rights granted to it in this Section 2(d) shall be or be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(e) The Port Authority shall have the right to separately revoke, without cause, the permission to perform any privilege or any combination of privileges granted to the Permittee hereunder upon thirty (30) days' written notice to the Permittee. No such revocation shall relieve the Permittee of any liabilities or obligations under this Permit with respect to the permission revoked which shall have accrued on or prior to the effective date of such revocation. Revocation hereunder with respect to any privilege or combination of privileges shall not affect this Permit as to the Permittee's permission as set forth herein to perform those privileges for which the permission therefor have not been revoked.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section 2 shall be or be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the Basic Lease.

(c) Neither this Permit nor anything contained herein, shall grant or shall be deemed to have granted any rights in the Permittee to use and occupy any land, building space or other area at the Airport or to have created or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute or be deemed to constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute or be construed to constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority a percentage fee (hereinafter called the "Basic Percentage Fee"), at the times set forth in and in accordance with paragraph (a)(ii) below, equal to five percent (5%), as the same may be increased pursuant to paragraph (j) below, of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month. Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant. In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. Each of the statements called for hereunder shall separately list and state the Gross Receipts and Basic Percentage Fees payable thereon for each privilege provided by the Permittee hereunder.

(b) All statements to be submitted to the Port Authority pursuant to this Section 4 and all payments made under this Permit, shall be made to The Port Authority of New York and New Jersey, P.O. Box 95000-1556, Philadelphia, Pennsylvania 19195-0001, or made via wire transfer pursuant to the following wire transfer instructions: Name of Bank: TD Bank; Bank ABA Number: 031201360; Account Number: 5950011675, or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(d) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service

by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(e) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(f) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint adventure or partnership relationship between the parties hereto is created by this Permit.

(g) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section 4 and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(h) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(i) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees will become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted hereunder pursuant to this

paragraph (i) shall, or shall be construed to, relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

5. Security Deposit:

If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline,

grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Special Endorsements and Insurance Endorsement:

The Permittee hereby agrees to the terms and conditions of the endorsements, if any, attached hereto, hereby made a part hereof and marked "Special Endorsements" and to the terms and conditions of the endorsement attached hereto, hereby made a part hereof and marked "Insurance Endorsement". The terms and provisions of the Special Endorsements, if any, and Insurance Endorsement shall have the same force and effect and as if herein set forth in full.

9. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term, or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

10. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of Section 17(g) hereof, any such property

remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

11. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

12. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, 15th Floor, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

13. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent (.8%) of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the

Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

14. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

15. Affirmative Action:

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

16. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the Insurance Services Office of New York and the National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

17. Prohibited Acts

(a) The Permittee shall not do or permit to be done any act which

(i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or

(ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or

(iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or

(iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or

(v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or

(vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 16 or 18 hereof. In addition to and without limiting Section 18 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Section 17(f) hereof, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 16 and 18 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 16 and 18 hereof. The obligations of the Permittee pursuant to this Section 17(b) shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

18. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the Basic Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process

for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

19. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

20. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

21. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(b) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airport and Airways Development Act of 1970, as the same has been amended and supplemented, and under

prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith, the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities of its contractors, lessees and permittees thereon. The performance by the Permittee of the promises and obligations contained in this Permit is therefore a special consideration and inducement to the issuance of this Permit by the Port Authority, and the Permittee further agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

22. Capacity and Competition:

The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (a) fixing rates and charges to be paid by users of the services; (b) lessening or preventing competition between the Permittee and such other furnishers of services; or (c) tending to create a monopoly on the Airport in connection with the furnishing of such services.

23. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of

paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraph (a)(iii) or (a)(vi) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then the Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(d) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b) and (c) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority hereunder.

24. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 21 hereof (each such rate and discount is hereinafter called an "Established Rate"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates

from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder, as the case shall be, and the Basic Percentage Fee, as the case shall be, shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts, any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

25. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

26. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

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

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

(d) This Permit, including the attached Insurance Endorsement and Special Endorsements, if any, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 12 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

The fees hereunder shall be due and payable on the twentieth day of the month following the calendar month in which the effective date hereof falls, and on the twentieth day of each month thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar month, the final payment of the fees shall be due and payable within twenty (20) days after the effective date of expiration, revocation or termination except as otherwise provided herein.

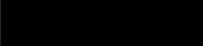
Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-0001

or via the following wire transfer instructions:

Bank: TD Bank

Bank ABA Number: 031201360

Account Number: 

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

STANDARD ENDORSEMENT NO. 2. 2

FEE-PERCENTAGE

All Facilities

10/30/85

rev 6/1/04

1. In connection with the exercise of the privilege granted hereunder, the Permittee shall:

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

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

(c) Maintain, in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation or termination thereof, and for a further period extending until the Permittee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions of the Permittee at, through, or in anyway connected with the Airport (which records and books of account are hereinafter be called the "Permittee's Records"). The Permittee's Records shall be kept at all times within the Port of New York District.

(d) Permit in ordinary business hours during the effective period of the Permit, for one year thereafter, and during such further period as is mentioned in the preceding subdivision (c), the examination and audit by the officers, employees and representatives of the Port Authority of (i) the records and books of account of the Permittee and (ii) also any records and books of account of any company which is owned or controlled by the Permittee, or which owns or controls the Permittee, if said company performs services, similar to those performed by the Permittee, anywhere in the Port of New York District. The Permittee shall make available to the Port Authority within the Port of New York District for examination and audit by the Port Authority pursuant to this paragraph (d) those records and books of account described in (i) which are not required by paragraph (c) above to be kept at all times in the Port of New York District and those records and books of account described in (ii) above (all of the foregoing being hereinafter called the "Other Relevant Records" and the Permittee's Records and the Other Relevant Records being hereinafter collectively referred to as the "Records").

(e) Permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to cash registers;

(f) Furnish on or before the twentieth day of each month following the effective date of this Permit a sworn statement of gross receipts arising out of operations of the Permittee hereunder for the preceding month;

(g) Furnish on or before the twentieth day of April of each calendar year following the effective date of this Permit a statement of all gross receipts arising out of operations of the Permittee hereunder for the preceding calendar year certified, at the Permittee's expense, by a certified public accountant;

STANDARD ENDORSEMENT NO. 2.8

BUSINESS DEVELOPMENT AND RECORDS

AIRPORTS

4/9/79; rev. 10/2/90; rev. 7/1/97, rev 11/05 (page 1 of 3 pages)

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

2. Without implying any limitation on the right of the Port Authority to revoke the Permit for cause for the breach of any term or condition thereof, including but not limited to paragraph 1 above, the Permittee understands that compliance by the Permittee with the provisions of paragraphs (c) and (d) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under the Permit and in the event of the failure of the Permittee to maintain, keep within the Port District or make available for examination and audit the Permittee's Records in the manner and at the times or location as provided in this Standard Endorsement then, in addition to all and without limiting any other rights and remedies of the Port Authority, the Port Authority may:

(1) Estimate the gross receipts of the Permittee on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the Permittee's fees based thereon to be payable to the Port Authority when billed; or

(2) If any such Records have been maintained outside of the Port District, but within the Continental United States then the Port Authority in its sole discretion may (i) require such Records to be produced within the Port District or (ii) examine such Records at the location at which they have been maintained and in such event the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit, or

(3) If any such Records have been maintained outside the continental United States then, in addition to the costs specified in paragraph (2)(ii) above, the Permittee shall pay to the Port Authority when billed all other costs of the examination and audit of such Records including without limitation salaries, benefits, travel costs and related expenses, overhead costs and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

3. The foregoing auditing costs, expenses and amounts set forth in subparagraphs (2) and (3) of paragraph 2 above shall be deemed fees and charges under the Permit payable to the Port Authority with the same force and effect as all other fees and charges thereunder.

4. Effective from and after October 13, 2005, and continuing during the effective period of permission granted under this Permit, in the event that upon conducting an examination

STANDARD ENDORSEMENT NO. 2.8

BUSINESS DEVELOPMENT AND RECORDS

AIRPORTS

4/9/79; rev. 10/2/90; rev. 7/1/97, rev 11/05 (page 2 of 3 pages)

and audit as described in this Standard Endorsement the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee, the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Standard Endorsement with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Standard Endorsement is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

STANDARD ENDORSEMENT NO. 2.8

BUSINESS DEVELOPMENT AND RECORDS

AIRPORTS

4/9/79; rev. 10/2/90; rev. 7/1/97, rev 11/05 (page 3 of 3 pages)

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Endorsement with respect to such unpaid amount. Nothing in this Endorsement is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 1 of the Terms and Conditions of this Permit or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Endorsement shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

STANDARD ENDORSEMENT NO. 8.0

LATE CHARGES

All Facilities

7/30/82

The Permittee shall

- (a) Furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;
- (b) Furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and
- (c) Charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

STANDARD ENDORSEMENT NO. 9.1

FEDERAL AIRPORT AID

Airports

1/19/81

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

STANDARD ENDORSEMENT NO. 9.6

AFFIRMATIVE ACTION

Airports

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

STANDARD ENDORSEMENT NO. 10.1

GARBAGE

All Facilities

9/04

The Permittee shall refrain from entering into continuing contracts or arrangements with third parties for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

The Permittee shall not enter into any agreement or understanding, express or implied, binding or nonbinding, with any other person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (a) fixing rates and charges to be paid by users of the services; (b) lessening or preventing competition between the Permittee and such other furnishers of services; or (c) tending to create a monopoly on the Airport in connection with the furnishing of such services.

STANDARD ENDORSEMENT NO. 12.1

CAPACITY & COMPETITION

Airports

7/21/49

The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further reasonable rules and regulations which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport, including any Space covered by this Permit, or for the safe and efficient operation of the Airport, including any Space covered by this Permit. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification. The badges or means of identification shall be subject to the written approval of the Airport Manager.

STANDARD ENDORSEMENT NO. 16.1
RULES & REGULATIONS COMPLIANCE
Airports
06/29/62

The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Facility which may be necessary for the Permittee's operations thereat.

The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operation hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Facility.

The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Facility and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

STANDARD ENDORSEMENT NO. 17.1

LAW COMPLIANCE

All Facilities

8/29/49

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, or if the Permittee's operations hereunder are in New Jersey, the National Board of Fire Underwriters and The Fire Insurance Rating Organization of N.J., and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Endorsement, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

The Permittee shall not do or permit to be done any act which

- (a) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
- (b) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
- (c) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
- (d) may cause or produce upon the Airport any unusual, noxious or objectionable smokes, gases, vapors or odors, or
- (e) may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire-protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Airport, or
- (f) shall constitute a nuisance in or on the Airport or which may result in the creation, commission or maintenance of a nuisance in or on the Airport.

For the purpose of this Endorsement, "Airport" includes all structures located thereon.

STANDARD ENDORSEMENT NO. 22

PROHIBITED ACTS

Airports
07/13/49

If any type of strike or other labor activity is directed against the Permittee at the Facility or against any operations pursuant to this Permit resulting in picketing or boycott for a period of at least forty-eight (48) hours, which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Facility or the operations of other permittees, lessees or licensees thereat, whether or not the same is due to the fault of the Permittee, and whether caused by the employees of the Permittee or by others, the Port Authority may at any time during the continuance thereof, by twenty-four (24) hours' notice, revoke this Permit, effective at the time specified in the notice. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

STANDARD ENDORSEMENT NO. 28

DISTURBANCES

All Facilities

6/20/51

SPECIAL ENDORSEMENT

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline limousine transportation service as defined in paragraph (c) of this Special Endorsement.

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

(c) The term "Airline Limousine Transportation Service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the

need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its

operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Standard Endorsement No. 2.8 or Special Endorsement No. 2 hereof, the Permittee shall, simultaneously with its payment of fees each month as provided in Standard Endorsement No. 2.2, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Standard Endorsement No. 17.1, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the sum of seven Hundred Dollars and No Cents (\$700.00), either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the

Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Special Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(b) For the purposes of this Special Endorsements, the Permittee hereby certifies that its federal taxpayer identification number is [REDACTED]

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, at its sole discretion, to adjust at any time and from time to time upon fifteen (15) days notice to the Permittee, the security deposit amount as set forth in paragraph (a) of this Special Endorsement. Not later than the effective date set forth in said notice the Permittee shall deposit with the Port Authority the new security deposit amount as set forth in said notice which new amount shall thereafter constitute the security deposit subject to this Special Endorsement.

11. In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Airline, the Airline shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Airline under this Permit or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this paragraph with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this paragraph is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to terminate this Permit; or (ii) any obligations of the Airline under this Permit.

12. Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause, upon thirty (30) days' written notice, by the Port Authority or terminated without cause, upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

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

14. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

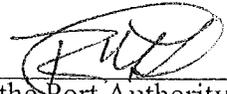
(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

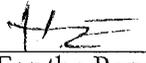
(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

j

INSURANCE SCHEDULE

(a) The Permittee named in the permit to which this Insurance Schedule is attached and of which it constitutes an integral part (the “Permit”), in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limit set forth below, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the limit set forth below:

	<u>Minimum Limits</u>
Commercial General Liability Insurance	
Combined single limit per occurrence for death, bodily injury and property damage liability:	\$2,000,000.00
Automobile Liability Insurance	
Combined single limit per occurrence for death, bodily injury and property damage liability:	\$5,000,000.00
Workers’ Compensation and Employers Liability Insurance	
Permittee's obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to the Permit at or from the Facility:	Statutory

In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers’ Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of the Permit, including without limitation this Insurance Schedule.

(b) Each policy of insurance, except for the Workers’ Compensation and Employers Liability Insurance policies, shall also contain an ISO standard “separation of insureds” clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 8 of the Terms and Conditions of the Permit.

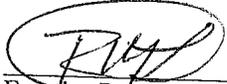
(c) All insurance coverages and policies required under this Insurance Schedule may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the period of permission under the Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the

above-scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of the Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under the Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by the Permit or any other agreement or by law.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
)ss
 County of _____)

_____ who being duly sworn, deposes and says that he is
 (name)

the _____ of the above-mentioned Permittee of the Port Authority
 (title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

 (Handwritten Signature of Person Sworn)

sworn to before me this
 day of _____

 (Notary Public)

Initialed:


 For the Port Authority


 For the Permittee

: For Port Authority Use Only :

: Permit Number: AX-858 :

**LAGUARDIA AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT**

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** WHEELS GO AROUND INC., a corporation in the State of New York
2. **PERMITTEE'S ADDRESS:** 101 Gedney Street – Suite 5F
Nyack, NY 10960
3. **PERMITTEE'S REPRESENTATIVE:** Maryann D'Amico
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** June 1, 2010
7. **EXPIRATION DATE:** May 31, 2020, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** \$6,000.00
9. **INSURANCE REQUIREMENTS:** \$2,000,000.00 minimum limit Commercial General Liability
\$5,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Exhibit A, and Special Endorsements.

Dated: As of June 1, 2010

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

By *[Signature]*

Name David Kagan
Assistant Director
Business, Properties & Airport Development

(Title) _____

WHEELS GO AROUND INC., Permittee

By *[Signature]*

Name MARYANN D'AMICO
(Please Print Clearly)

(Title) PRES.

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u><i>[Signature]</i></u>	<u><i>[Signature]</i></u>

LLF/mmw

[Signature]

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

- (i) representation and accommodation;
- (ii) load control and communications;
- (iii) unit load device control, handling and administration in connection with Cargo Aircraft;
- (iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "*Cleaning Service*" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "*Effective Date*" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "*Environmental Requirement*" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and

agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) “*Executive Director*” shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) “*Gateside Aircraft Maintenance*” shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(o) “*General Manager of the Airport*” shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(p) “*Gross Receipts*” shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided, however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee’s Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(q) “*Hazardous Substance*” shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos,

polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(r) *"In-Terminal Handling Service"* shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee's performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(s) *"Passenger Aircraft"* shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(t) *"Passenger Ramp Service"* shall mean all or any of the following services for or in connection with Passenger Aircraft:

(i) representation and accommodation;

(ii) load control and communications on ramp;

(iii) unit load device control, handling and administration;

(iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;

(v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;

(vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;

(vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(viii) providing, positioning/removing, and operating appropriate units for engine starting;

(ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;

(x) towing of Passenger Aircraft;

(xi) ramp control tower services for Passenger Aircraft;

(xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;

(xiii) ramp area cleaning;

(xiv) mobile fueling on the Permittee's own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(u) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(v) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(x) "*Routine and Non-routine Aircraft Maintenance*" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days' written notice by the Port Authority, or terminated without cause upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than "without cause", the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and

whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: XXXXXXXXXX

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and

the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required

Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a)(i) of this Section or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a)(i) of this Section. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the Required Security Deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a)(i) of this Section. The Permittee shall have the same rights to receive such Required Security Deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the effective period of the permission granted under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount.

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and

delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, agents or contractors except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations,

the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of

insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

(a) Without limiting the generality of any of the provisions of this Permit, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (1) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of any space at the Airport and the exercise of any privileges under this

Permit, (2) that in the construction of any improvements on, over, or under any space at the Airport and the furnishing of any service thereon by the Permittee, no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the Permittee shall use any space at the Airport and exercise any privileges under this Permit in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or

discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or

demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee

and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by

the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and

equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any period following such expiration, revocation or termination.

30. Governing Law:

This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

31. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

Initialed:



For the Port Authority



For the Permittee

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit shall be as defined in Section 1(b) of the Terms and Conditions.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any

time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and Conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport and as further defined in Section 1(o) of the Terms and Conditions.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

9 The Permittee hereby certifies that its federal taxpayer identification number is [REDACTED]



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss
County of _____)

_____ who being duly sworn, deposes and says that he is
(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

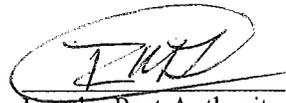
of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

sworn to before me this
day of

(Notary Public)

Initialed:



For the Port Authority


For the Permittee

9. The Permittee hereby certifies that its federal taxpayer identification number is 13-3652108.



For the Port Authority

Initialed:



For the Permittee

: For Port Authority Use Only

: Permit Number: AX-859

**LAGUARDIA AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT**

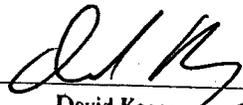
PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

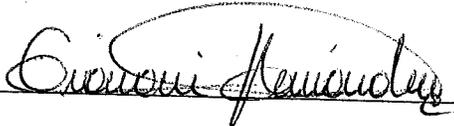
1. **PERMITTEE:** GIO'S TRAVEL INC., a New York State Corporation
2. **PERMITTEE'S ADDRESS:** 52-01 Metropolitan Avenue.
Ridgewood, New York 11385
3. **PERMITTEE'S REPRESENTATIVE:** Giovanni Hernandez
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** Five percent (5%) of monthly gross receipts.
6. **EFFECTIVE DATE:** December 1, 2009
7. **EXPIRATION DATE:** November 30, 2019, unless sooner revoked or terminated as herein provided.
8. **ENDORSEMENTS:** 2.2, 2.8, 8.0, 9.1, 9.5, 9.6, 10.1, 12.1, 16.1, 17.1, 22, 28, Special Endorsements, Exhibit A and Insurance Schedule.

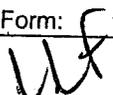
Dated: As of December 1, 2009

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

By 
 Name David Kagan
Assistant Director
Business Process Re-Engineering Development
 (Title) _____

GIO'S TRAVEL INC., Permittee

By 
 Name GIOVANNI HERNANDEZ JR.
 (Please Print Clearly)
 (Title) President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u></u>	<u></u>



TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

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

(b) "Airport" or "John F. Kennedy International Airport," and LaGuardia Airport, consisting of certain premises identified as "LaGuardia Airport" on Sheet LGA-1 shall mean the land and premises in the City, in the County of Queens and State of New York; "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey; which are shown in green upon the exhibit attached to the Basic Lease and marked "Map II", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

(c) "Approved Aircraft Operator" shall mean in the singular and "Approved Aircraft Operators" shall mean in the plural an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

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

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

(f) "Basic Percentage Fee" shall have the meaning given such term in Section 4(a)(i) hereof.

(g) "City" shall mean The City of New York.

(h) "Effective Date" shall mean that date appearing in Item 6 on page 1 of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(i) "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(j) "General Manager of the Airport" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(k) "Gross Receipts" shall include all monies paid or payable to the Permittee arising from the performance of Routine and Non-routine Aircraft Maintenance at the Airport in connection with its operations under this Permit, regardless of when or where the order therefor is received, provided, however, the following shall not be included in Gross Receipts hereunder:

(i) Any taxes imposed by law which are separately stated to and paid by a customer and are directly payable to a tax collecting authority by the Permittee;

(ii) Monies paid or payable to the Permittee which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(iii) Monies paid or payable to the Permittee which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iv) Monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(k) "Hazardous Substance" shall mean in the singular and "Hazardous Substances" shall mean in the plural any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos,

polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(l) "Passenger Aircraft" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(m) "Permitted Areas" shall mean the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide Routine and Non-routine Aircraft Maintenance;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third person or has otherwise permitted a third person to use and occupy and where (x) the Permittee performs Routine and Non-routine Aircraft Maintenance on such area for such person or has obtained permission from such person to perform Routine and Non-routine Aircraft Maintenance for an Approved Aircraft Operator on such area and (y) the performance of Routine and Non-routine Aircraft Maintenance for such Authorized Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of Routine and Non-routine Aircraft Maintenance by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

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

(o) "Routine and Non-routine Aircraft Maintenance" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on page 1 of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the "Effective Date" appearing in Item 6 on

page 1 of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause, upon thirty (30) days' written notice, by the Port Authority or terminated without cause, upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(d) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and to revoke this Permit. Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(ii) In the event the Port Authority exercises its right to revoke the Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on page 1 of the Permit. No exercise by the Port Authority of its rights granted to it in this Section 2(d) shall be or be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(e) The Port Authority shall have the right to separately revoke, without cause, the permission to perform any privilege or any combination of privileges granted to the Permittee hereunder upon thirty (30) days' written notice to the Permittee. No such revocation shall relieve the Permittee of any liabilities or obligations under this Permit with respect to the permission revoked which shall have accrued on or prior to the effective date of such revocation. Revocation hereunder with respect to any privilege or combination of privileges shall not affect this Permit as to the Permittee's permission as set forth herein to perform those privileges for which the permission therefor have not been revoked.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section 2 shall be or be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the Basic Lease.

(c) Neither this Permit nor anything contained herein, shall grant or shall be deemed to have granted any rights in the Permittee to use and occupy any land, building space or other area at the Airport or to have created or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute or be deemed to constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute or be construed to constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority a percentage fee (hereinafter called the "Basic Percentage Fee"), at the times set forth in and in accordance with paragraph (a)(ii) below, equal to five percent (5%), as the same may be increased pursuant to paragraph (j) below, of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month. Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant. In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. Each of the statements called for hereunder shall separately list and state the Gross Receipts and Basic Percentage Fees payable thereon for each privilege provided by the Permittee hereunder.

(b) All statements to be submitted to the Port Authority pursuant to this Section 4 and all payments made under this Permit, shall be made to The Port Authority of New York and New Jersey, P.O. Box 95000-1556, Philadelphia, Pennsylvania 19195-0001, or made via wire transfer pursuant to the following wire transfer instructions: Name of Bank: TD Bank; Bank ABA Number: 031201360; Account Number: [REDACTED] or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(d) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service

by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(e) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(f) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint adventure or partnership relationship between the parties hereto is created by this Permit.

(g) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section 4 and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(h) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(i) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees will become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted hereunder pursuant to this

paragraph (i) shall, or shall be construed to, relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

5. Security Deposit:

If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline,

grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Special Endorsements and Insurance Endorsement:

The Permittee hereby agrees to the terms and conditions of the endorsements, if any, attached hereto, hereby made a part hereof and marked "Special Endorsements" and to the terms and conditions of the endorsement attached hereto, hereby made a part hereof and marked "Insurance Endorsement". The terms and provisions of the Special Endorsements, if any, and Insurance Endorsement shall have the same force and effect and as if herein set forth in full.

9. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term, or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

10. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of Section 17(g) hereof, any such property

remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

11. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

12. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, 15th Floor, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

13. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent (.8%) of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the

Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

14. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

15. Affirmative Action:

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

16. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the Insurance Services Office of New York and the National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

17. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or

(iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or

(v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or

(vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 16 or 18 hereof. In addition to and without limiting Section 18 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Section 17(f) hereof, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 16 and 18 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 16 and 18 hereof. The obligations of the Permittee pursuant to this Section 17(b) shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

18. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the Basic Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process

for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

19. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

20. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

21. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(b) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airport and Airways Development Act of 1970, as the same has been amended and supplemented, and under

prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith, the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities of its contractors, lessees and permittees thereon. The performance by the Permittee of the promises and obligations contained in this Permit is therefore a special consideration and inducement to the issuance of this Permit by the Port Authority, and the Permittee further agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

22. Capacity and Competition:

The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (a) fixing rates and charges to be paid by users of the services; (b) lessening or preventing competition between the Permittee and such other furnishers of services; or (c) tending to create a monopoly on the Airport in connection with the furnishing of such services.

23. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of

paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraph (a)(iii) or (a)(vi) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then the Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(d) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b) and (c) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority hereunder.

24. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 21 hereof (each such rate and discount is hereinafter called an "Established Rate"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates

from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder, as the case shall be, and the Basic Percentage Fee, as the case shall be, shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts, any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

25. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

26. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

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

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

(d) This Permit, including the attached Insurance Endorsement and Special Endorsements, if any, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 12 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

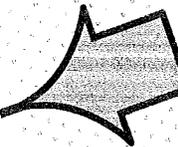


For the Port Authority

Initialed:

G. H.

For the Permittee



SPECIAL ENDORSEMENT

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline arranged ground transportation service as defined in paragraph (c) of this Special Endorsement.

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

(c) The term "Airline Arranged Ground Transportation Service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any

third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Standard Endorsement No. 2.8 or Special Endorsement No. 2 hereof, the Permittee shall, simultaneously with its payment of fees each month as provided in Standard Endorsement No. 2.2, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and

from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Standard Endorsement No. 17.1, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the sum of Two Thousand Eight Hundred Dollars and No Cents (\$2,800.00), either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the

Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Special Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(b) For the purposes of this Special Endorsements, the Permittee hereby certifies that its federal taxpayer identification number is [REDACTED]

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, at its sole discretion, to adjust at any time and from time to time upon fifteen (15) days notice to the Permittee, the security deposit amount as set forth in paragraph (a) of this Special Endorsement. Not later than the effective date set forth in said notice the Permittee shall deposit with the Port Authority the new security deposit amount as set forth in said notice which new amount shall thereafter constitute the security deposit subject to this Special Endorsement.

11. In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Airline, the Airline shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Airline under this Permit or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this paragraph with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this paragraph is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to terminate this Permit; or (ii) any obligations of the Airline under this Permit.

12. Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause, upon thirty (30) days' written notice, by the Port Authority or terminated without cause, upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

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

14. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights

or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

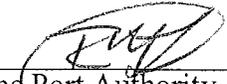
(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed: .

G. H.

For the Permittee



EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss

_____ who being duly sworn, deposes and says that he is
(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

sworn to before me this
day of

(Notary Public)

Initialed:

For the Port Authority

For the Permittee

PA

: For Port Authority Use Only

: Permit Number: AX-861

**LAGUARDIA AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT**

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** GOLDEN TOUCH TRANSPORTATION OF NEW YORK, INC., a New York State Corporation
2. **PERMITTEE'S ADDRESS:** ~~409-15-14th Street~~ 45-02 DITMARS BLVD SUITE 19
College Point, New York 11356 ASTORIA, NY 1105 TJH
3. **PERMITTEE'S REPRESENTATIVE:** Thomas Herrschaft, President and CEO
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** Five percent (5%) of monthly gross receipts.
6. **EFFECTIVE DATE:** September 2, 2010
7. **EXPIRATION DATE:** August 31, 2020, unless sooner revoked or terminated as herein provided.
8. **ENDORSEMENTS:** 2.2, Special Endorsements, Exhibit A and Insurance Schedule

Dated: As of September 2, 2010

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

By Jeanne Lucarella, Manager
Properties & Commercial Development

Name for David Kagan (Please Print Clearly)
Assistant Director
(Title) Business, Properties & Airport Development

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u>[Signature]</u>	<u>LLF</u>

**GOLDEN TOUCH TRANSPORTATION OF NY, INC.,
Permittee**

By Thomas Herrschaft (Pres)

Name THOMAS - HERRSCHAFT (Pres)
(Please Print Clearly)

(Title) President

LLF/mmw

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

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

(b) "Airport" or "John F. Kennedy International Airport," and LaGuardia Airport, consisting of certain premises identified as "LaGuardia Airport" on Sheet LGA-1 shall mean the land and premises in the City, in the County of Queens and State of New York; "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey; which are shown in green upon the exhibit attached to the Basic Lease and marked "Map II", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

(c) "Approved Aircraft Operator" shall mean in the singular and "Approved Aircraft Operators" shall mean in the plural an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

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

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

(f) "Basic Percentage Fee" shall have the meaning given such term in Section 4(a)(i) hereof.

(g) "City" shall mean The City of New York.

(h) "Effective Date" shall mean that date appearing in Item 6 on page 1 of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(i) "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(j) "General Manager of the Airport" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(k) "Gross Receipts" shall include all monies paid or payable to the Permittee arising from the performance of Routine and Non-routine Aircraft Maintenance at the Airport in connection with its operations under this Permit, regardless of when or where the order therefor is received, provided, however, the following shall not be included in Gross Receipts hereunder:

(i) Any taxes imposed by law which are separately stated to and paid by a customer and are directly payable to a tax collecting authority by the Permittee;

(ii) Monies paid or payable to the Permittee which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(iii) Monies paid or payable to the Permittee which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iv) Monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the

Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(k) "Hazardous Substance" shall mean in the singular and "Hazardous Substances" shall mean in the plural any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(l) "Passenger Aircraft" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(m) "Permitted Areas" shall mean the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide Routine and Non-routine Aircraft Maintenance;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third person or has otherwise permitted a third person to use and occupy and where (x) the Permittee performs Routine and Non-routine Aircraft Maintenance on such area for such person or has obtained permission from such person to perform Routine and Non-routine Aircraft Maintenance for an Approved Aircraft Operator on such area and (y) the performance of Routine and Non-routine Aircraft Maintenance for such Authorized Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of Routine and Non-routine Aircraft Maintenance by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

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

(o) "Routine and Non-routine Aircraft Maintenance" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on page 1 of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the "Effective Date" appearing in Item 6 on page 1 of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause, upon thirty (30) days' written notice, by the Port Authority or terminated without cause, upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(d) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and to revoke this Permit. Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(ii) In the event the Port Authority exercises its right to revoke the Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on page 1 of the Permit. No exercise by the Port Authority of its rights granted to it in this Section 2(d) shall be or be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(e) The Port Authority shall have the right to separately revoke, without cause, the permission to perform any privilege or any combination of privileges granted to the Permittee hereunder upon thirty (30) days' written notice to the Permittee. No such revocation shall relieve the Permittee of any liabilities or obligations under this Permit with respect to the permission revoked which shall have accrued on or prior to the effective date of such revocation. Revocation hereunder with respect to any privilege or combination of privileges shall not affect this Permit as to the Permittee's permission as set forth herein to perform those privileges for which the permission therefor have not been revoked.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section 2 shall be or be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the Basic Lease.

(c) Neither this Permit nor anything contained herein, shall grant or shall be deemed to have granted any rights in the Permittee to use and occupy any land, building space or other area at the Airport or to have created or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status

which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute or be deemed to constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute or be construed to constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority a percentage fee (hereinafter called the "Basic Percentage Fee"), at the times set forth in and in accordance with paragraph (a)(ii) below, equal to five percent (5%), as the same may be increased pursuant to paragraph (j) below, of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month. Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same

time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant. In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. Each of the statements called for hereunder shall separately list and state the Gross Receipts and Basic Percentage Fees payable thereon for each privilege provided by the Permittee hereunder.

(b) All statements to be submitted to the Port Authority pursuant to this Section 4 and all payments made under this Permit, shall be made to The Port Authority of New York and New Jersey, P.O. Box 95000-1517, Philadelphia, Pennsylvania 19195-1517, or made via wire transfer pursuant to the following wire transfer instructions: Name of Bank: Commerce Bank; Bank ABA Number: 026013673; Account Number: [REDACTED] or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(d) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(e) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an

independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(f) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint adventure or partnership relationship between the parties hereto is created by this Permit.

(g) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section 4 and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(h) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(i) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees will become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted hereunder pursuant to this paragraph (i) shall, or shall be construed to, relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

5. Security Deposit:

If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals,

charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Special Endorsements and Insurance Endorsement:

The Permittee hereby agrees to the terms and conditions of the endorsements, if any, attached hereto, hereby made a part hereof and marked "Special Endorsements" and to the terms and conditions of the endorsement attached hereto, hereby made a part hereof and marked "Insurance Endorsement". The terms and provisions of the Special Endorsements, if any, and Insurance Endorsement shall have the same force and effect and as if herein set forth in full.

9. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term, or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

10. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of Section 17(g) hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

11. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

12. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, 15th Floor, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

13. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent (.8%) of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days

except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

14. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of

the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

15. Affirmative Action:

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

16. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the Insurance Services Office of New York and the National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to

comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

17. Prohibited Acts

(a) The Permittee shall not do or permit to be done any act which

(i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or

(ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or

(iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or

(iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or

(v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or

(vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 16 or 18 hereof. In addition to and without limiting Section 18 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Section 17(f) hereof, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 16 and 18

hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 16 and 18 hereof. The obligations of the Permittee pursuant to this Section 17(b) shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

18. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the Basic Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

19. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

20. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

21. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

22. Capacity and Competition:

The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (a) fixing rates and charges to be paid by users of the services; (b) lessening or preventing competition between the Permittee and such other furnishers of services; or (c) tending to create a monopoly on the Airport in connection with the furnishing of such services.

23. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an

“Affiliate” and all such companies being hereinafter called the “Affiliates”) to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the “Books and Records”) within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee’s business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee’s compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York

District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraph (a)(iii) or (a)(vi) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then the Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(d) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b) and (c) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority hereunder.

24. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 21 hereof (each such rate and discount is hereinafter called an "Established Rate"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less

than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder, as the case shall be, and the Basic Percentage Fee, as the case shall be, shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts, any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

25. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

26. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

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

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

(d) This Permit, including the attached Insurance Endorsement and Special Endorsements, if any, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 12 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

The fees hereunder shall be due and payable on the twentieth day of the month following the calendar month in which the effective date hereof falls, and on the twentieth day of each month thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar month, the final payment of the fees shall be due and payable within twenty (20) days after the effective date of expiration, revocation or termination except as otherwise provided herein.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-0001

or via the following wire transfer instructions:

Bank: TD Bank
Bank ABA Number: 031201360
Account Number: 

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

STANDARD ENDORSEMENT NO. 2. 2

FEE-PERCENTAGE

All Facilities

10/30/85

rev 6/1/04

SPECIAL ENDORSEMENT

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service, employee transportation, and ramp transportation services for approved aircraft operators at the Airports.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides

to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and Conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 18 of the Terms and Conditions attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of

the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

10. Notwithstanding anything to the contrary contained in this Permit, the Permittee hereby agrees that this Permit is one of the "Agreements"; as such term is defined in that certain Security Agreement entered into between the Port Authority and the Permittee, dated as of September 1, 2001, and identified by Port Authority Agreement No. AX-729 (the "Security Agreement"), and that a breach or failure to perform or comply with any of the terms and conditions of the Security Agreement, including without limitation failure to provide a security deposit in accordance with the terms and provisions of the Security Agreement at any time during the term under any of the Agreements valid and available to the Port Authority or, if applicable, any failure of any banking institution issuing a letter of credit to make one or more payments as provided in security deposit, shall constitute a material breach of this Permit and the Security Agreement thereby entitling the Port Authority to immediately exercise any and all rights available to it, including without limitation the right to terminate this Permit for cause.

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

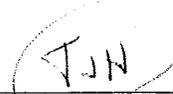
(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss
_____)

_____ who being duly sworn, deposes and says that he is
(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

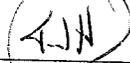
sworn to before me this
day of

(Notary Public)

Initialed:



For the Port Authority



For the Permittee

INSURANCE SCHEDULE

(a) The Permittee named in the permit to which this Insurance Schedule is attached and of which it constitutes an integral part (the "Permit"), in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limit set forth below, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the limit set forth below:

	<u>Minimum Limits</u>
Commercial General Liability Insurance Combined single limit per occurrence for death, bodily injury and property damage liability:	\$2,000,000.00
Automobile Liability Insurance Combined single limit per occurrence for death, bodily injury and property damage liability:	\$25,000,000.00
Workers' Compensation and Employers Liability Insurance Permittee's obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to the Permit at or from the Facility:	Statutory

In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of the Permit, including without limitation this Insurance Schedule.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 8 of the Terms and Conditions of the Permit.

(c) All insurance coverages and policies required under this Insurance Schedule may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the period of permission under the Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the above-

scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of the Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under the Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by the Permit or any other agreement or by law.



For the Port Authority

Initialed:



For the Permittee

"PA"

: For Port Authority Use Only :
:
:Permit Number: AX-862 :

**LAGUARDIA AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT**

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

- 1. **PERMITTEE:** HIGHLAND INTERNATIONAL TRANSPORTATION SERVICES, INC., a New York State Corporation
- 2. **PERMITTEE'S ADDRESS:** 45-35(R) 39th Street
Sunnyside, New York 11104
- 3. **PERMITTEE'S REPRESENTATIVE:** Hassan Eltigani
- 4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
- 5. **FEES:** Five percent (5%) of monthly gross receipts.
- 6. **EFFECTIVE DATE:** September 1, 2010
- 7. **EXPIRATION DATE:** August 31, 2020, unless sooner revoked or terminated as herein provided.
- 8. **REQUIRED SECURITY DEPOSIT:** \$5,200.00
- 9. **INSURANCE REQUIREMENTS:** \$2,000,000.00 minimum limit Commercial General Liability
\$5,000,000.00 minimum limit Commercial Automobile Liability
- 10. **ENDORSEMENTS:** 2:2, Special Endorsements, Exhibit A and Insurance Schedule
Dated: As of September 1, 2010

**THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY**
Jane Kuslits, Manager
 By Properties & Commercial Development
 Name David Kagan
 Assistant Director
 (Please Print Clearly)
 Business, Properties & Airport Development
 (Title) _____

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:
<i>LLF</i>	<i>LLF</i>

**HIGHLAND INTERNATIONAL TRANSPORTATION
SERVICES, INC., Permittee**
 By Hassan Eltigani
 Name Eltigani, Hassan
 (Please Print Clearly)
 (Title) President

LLF
LLF/mmw

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

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

(b) "Airport" or "John F. Kennedy International Airport," and LaGuardia Airport, consisting of certain premises identified as "LaGuardia Airport" on Sheet LGA-1 shall mean the land and premises in the City, in the County of Queens and State of New York; "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey; which are shown in green upon the exhibit attached to the Basic Lease and marked "Map II", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

(c) "Approved Aircraft Operator" shall mean in the singular and "Approved Aircraft Operators" shall mean in the plural an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

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

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

(f) "Basic Percentage Fee" shall have the meaning given such term in Section 4(a)(i) hereof.

(g) "City" shall mean The City of New York.

(h) "Effective Date" shall mean that date appearing in Item 6 on page 1 of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(i) "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(j) "General Manager of the Airport" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(k) "Gross Receipts" shall include all monies paid or payable to the Permittee arising from the performance of Routine and Non-routine Aircraft Maintenance at the Airport in connection with its operations under this Permit, regardless of when or where the order therefor is received, provided, however, the following shall not be included in Gross Receipts hereunder:

(i) Any taxes imposed by law which are separately stated to and paid by a customer and are directly payable to a tax collecting authority by the Permittee;

(ii) Monies paid or payable to the Permittee which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(iii) Monies paid or payable to the Permittee which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iv) Monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the

Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(k) "Hazardous Substance" shall mean in the singular and "Hazardous Substances" shall mean in the plural any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(l) "Passenger Aircraft" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(m) "Permitted Areas" shall mean the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide Routine and Non-routine Aircraft Maintenance;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third person or has otherwise permitted a third person to use and occupy and where (x) the Permittee performs Routine and Non-routine Aircraft Maintenance on such area for such person or has obtained permission from such person to perform Routine and Non-routine Aircraft Maintenance for an Approved Aircraft Operator on such area and (y) the performance of Routine and Non-routine Aircraft Maintenance for such Authorized Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of Routine and Non-routine Aircraft Maintenance by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

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

(o) "Routine and Non-routine Aircraft Maintenance" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on page 1 of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the "Effective Date" appearing in Item 6 on page 1 of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause, upon thirty (30) days' written notice, by the Port Authority or terminated without cause, upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(d) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and to revoke this Permit. Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(ii) In the event the Port Authority exercises its right to revoke the Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on page 1 of the Permit. No exercise by the Port Authority of its rights granted to it in this Section 2(d) shall be or be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(e) The Port Authority shall have the right to separately revoke, without cause, the permission to perform any privilege or any combination of privileges granted to the Permittee hereunder upon thirty (30) days' written notice to the Permittee. No such revocation shall relieve the Permittee of any liabilities or obligations under this Permit with respect to the permission revoked which shall have accrued on or prior to the effective date of such revocation. Revocation hereunder with respect to any privilege or combination of privileges shall not affect this Permit as to the Permittee's permission as set forth herein to perform those privileges for which the permission therefor have not been revoked.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section 2 shall be or be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the Basic Lease.

(c) Neither this Permit nor anything contained herein, shall grant or shall be deemed to have granted any rights in the Permittee to use and occupy any land, building space or other area at the Airport or to have created or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status

which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute or be deemed to constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute or be construed to constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority a percentage fee (hereinafter called the "Basic Percentage Fee"), at the times set forth in and in accordance with paragraph (a)(ii) below, equal to five percent (5%), as the same may be increased pursuant to paragraph (j) below, of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month. Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same

time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant. In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. Each of the statements called for hereunder shall separately list and state the Gross Receipts and Basic Percentage Fees payable thereon for each privilege provided by the Permittee hereunder.

(b) All statements to be submitted to the Port Authority pursuant to this Section 4 and all payments made under this Permit, shall be made to The Port Authority of New York and New Jersey, P.O. Box 95000-1517, Philadelphia, Pennsylvania 19195-1517, or made via wire transfer pursuant to the following wire transfer instructions: Name of Bank: Commerce Bank; Bank ABA Number: 026013673; Account Number: 5950011675, or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(d) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(e) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an

independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(f) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint adventure or partnership relationship between the parties hereto is created by this Permit.

(g) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section 4 and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(h) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(i) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees will become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted hereunder pursuant to this paragraph (i) shall, or shall be construed to, relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

5. Security Deposit:

If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals,

charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein, said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Special Endorsements and Insurance Endorsement:

The Permittee hereby agrees to the terms and conditions of the endorsements, if any, attached hereto, hereby made a part hereof and marked "Special Endorsements" and to the terms and conditions of the endorsement attached hereto, hereby made a part hereof and marked "Insurance Endorsement". The terms and provisions of the Special Endorsements, if any, and Insurance Endorsement shall have the same force and effect and as if herein set forth in full.

9. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term, or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

10. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of Section 17(g) hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

11. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

12. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, 15th Floor, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

13. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent (.8%) of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days

except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

14. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of

the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

15. Affirmative Action:

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

16. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the Insurance Services Office of New York and the National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to

comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

17. Prohibited Acts

(a) The Permittee shall not do or permit to be done any act which

(i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or

(ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or

(iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or

(iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or

(v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or

(vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 16 or 18 hereof. In addition to and without limiting Section 18 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Section 17(f) hereof, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 16 and 18

hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 16 and 18 hereof. The obligations of the Permittee pursuant to this Section 17(b) shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

18. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the Basic Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

19. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

20. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

21. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections, "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

22. Capacity and Competition:

The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (a) fixing rates and charges to be paid by users of the services; (b) lessening or preventing competition between the Permittee and such other furnishers of services; or (c) tending to create a monopoly on the Airport in connection with the furnishing of such services.

23. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an

"Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each privilege granted hereunder performed at the Airport, and;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York

District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraph (a)(iii) or (a)(vi) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then the Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(d) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b) and (c) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority hereunder.

24. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 21 hereof (each such rate and discount is hereinafter called an "Established Rate"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less

than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder, as the case shall be, and the Basic Percentage Fee, as the case shall be, shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts, any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

25. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

26. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

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

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

(d) This Permit, including the attached Insurance Endorsement and Special Endorsements, if any, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 12 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

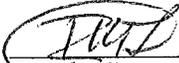
(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

The fees hereunder shall be due and payable on the twentieth day of the month following the calendar month in which the effective date hereof falls, and on the twentieth day of each month thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar month, the final payment of the fees shall be due and payable within twenty (20) days after the effective date of expiration, revocation or termination except as otherwise provided herein.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-1517

or via the following wire transfer instructions:

Bank: Commerce Bank
Bank ABA Number: 031201360
Account Number: 

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

STANDARD ENDORSEMENT NO. 2. 2

FEE-PERCENTAGE

All Facilities

10/30/85

rev 6/1/04

SPECIAL ENDORSEMENT

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides

to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 18 of the Terms and Conditions, attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction

over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the sum of Five Thousand Two Hundred Dollars and No Cents (\$5,200.00), either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and

from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Special Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(b) For the purposes of this Special Endorsements, the Permittee hereby certifies that its federal taxpayer identification number is [REDACTED]

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, at its sole discretion, to adjust at any time and from time to time upon fifteen (15) days notice to the Permittee, the security deposit amount as set forth in paragraph (a) of this Special Endorsement. Not later than the effective date set forth in said notice the Permittee shall deposit with the Port Authority the new security deposit amount as set forth in said notice which new amount shall thereafter constitute the security deposit subject to this Special Endorsement.

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights

or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

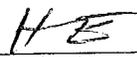
(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
Gross Receipts	\$ _____	\$ _____	\$ _____	\$ _____
P.A. Fee at 5%	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss

_____ who being duly sworn, deposes and says that he is

(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

sworn to before me this
day of

(Notary Public)

Initialed:


For the Port Authority


For the Permittee

INSURANCE SCHEDULE

(a) The Permittee named in the permit to which this Insurance Schedule is attached and of which it constitutes an integral part (the "Permit"), in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limit set forth below, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the limit set forth below:

	<u>Minimum Limits</u>
Commercial General Liability Insurance Combined single limit per occurrence for death, bodily injury and property damage liability:	\$2,000,000.00
Automobile Liability Insurance Combined single limit per occurrence for death, bodily injury and property damage liability:	\$5,000,000.00
Workers' Compensation and Employers Liability Insurance Permittee's obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to the Permit at or from the Facility:	Statutory

In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of the Permit, including without limitation this Insurance Schedule.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 8 of the Terms and Conditions of the Permit.

(c) All insurance coverages and policies required under this Insurance Schedule may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the period of permission under the Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the above-

scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of the Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under the Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by the Permit or any other agreement or by law.



For the Port Authority

Initialed:



For the Permittee

"TA"

: For Port Authority Use Only :

:Permit Number: AX-865 :

**NEWARK LIBIRTY INTERNATIONAL AIRPORT, JOHN F. KENNEDY AIRPORT AND
LAGUARDIA AIRPORT
PRIVILEGE PERMIT**

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at Newark Liberty International Airport, John F. Kennedy Airport in the Borough of Queens, County of Queens, city and State of New York, and LaGuardia Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

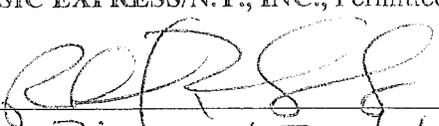
1. **PERMITTEE:** MUSIC EXPRESS/N.Y., INC., a limited liability company incorporated in New York
2. **PERMITTEE'S ADDRESS:** 923 Sawmill River Road
Ardasley, NY 10502
3. **PERMITTEE'S REPRESENTATIVE:** Richard Badalamenti
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** April 1, 2011
7. **EXPIRATION DATE:** March 31, 2021, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** As set forth in Special Endorsement No. 10 hereof.
9. **INSURANCE REQUIREMENTS:** \$5,000,000.00 minimum limit Commercial General Liability
\$2,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Special Endorsements, and Exhibit A

Dated: As of March 1, 2011

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

By 
 Name David Kagan
 Assistant Director
 Business Properties & Airport Development
 (Title) (Please Print Clearly)

MUSIC EXPRESS/N.Y., INC., Permittee

By 
 Name Richard Badalamenti
 (Please Print Clearly)
 (Title) Vice President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u></u>	<u></u>



LLF/NEI

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(2)(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

- (i) representation and accommodation;
- (ii) load control and communications;
- (iii) unit load device control, handling and administration in connection with Cargo Aircraft;
- (iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "Cleaning Service" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "Effective Date" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "Environmental Requirement" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances,

codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Fixed Fee*" shall have the meaning given such term in Section 4(1) hereof.

(o) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(p) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(q) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided,

however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(r) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(s) "*In-Terminal Handling Service*" shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee's performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(t) "*Passenger Aircraft*" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

- (u) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:
- (i) representation and accommodation;
 - (ii) load control and communications on ramp;
 - (iii) unit load device control, handling and administration;
 - (iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;
 - (v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;
 - (vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;
 - (vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;
 - (viii) providing, positioning/removing, and operating appropriate units for engine starting;
 - (ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;
 - (x) towing of Passenger Aircraft;
 - (xi) ramp control tower services for Passenger Aircraft;
 - (xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;
 - (xiii) ramp area cleaning;
 - (xiv) mobile fueling on the Permittee’s own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;
 - (xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(v) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(w) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(y) “*Post-Termination Period*” shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

(z) “*Routine and Non-routine Aircraft Maintenance*” shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee’s indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days’ written notice by the Port Authority, or terminated without cause upon thirty (30) days’ written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours’ notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than “without cause”, the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

- (a) The rights granted hereby shall be exercised
- (i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,
 - (ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,
 - (iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,
 - (iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and
 - (v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such

statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication,

refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the

Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action

by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other

inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts

or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each

policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any

payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

- (a) The Permittee shall
- (i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;
 - (ii) furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port

Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost

importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of

the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.



For the Port Authority

Initialed:



For the Permittee

any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

For the Port Authority

Initialed:

For the Permittee

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or

to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 18 of the Terms and Conditions, attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at

the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of Fifty Thousand Dollars and No Cents (\$50,000.00). 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 effective period of the permission under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is a appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by 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. Failure to provide such a letter of credit at any time during the effective period of the permission, under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the security deposit, if any, theretofore made. The Permittee 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 permission under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to waiver of any default by the Permittee under the terms of this Permit and all remedies of the Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(b) The Permittee hereby certifies that its Federal Tax Identification Number is [REDACTED] for the purposes of this Special Endorsement.

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

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

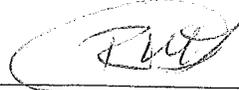
(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

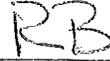
(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

PA

: For Port Authority Use Only :

: Permit Number: AX-866 :

**NEWARK LIBIRTY INTERNATIONAL AIRPORT, JOHN F. KENNEDY AIRPORT AND
LAGUARDIA AIRPORT
PRIVILEGE PERMIT**

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at Newark Liberty International Airport, John F. Kennedy Airport in the Borough of Queens, County of Queens, city and State of New York, and LaGuardia Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** GOLDEN TOUCH TRANSPORTATION OF NEW YORK, INC., a New York State Corporation
2. **PERMITTEE'S ADDRESS:** 45-02 Ditmars Boulevard, Suite 19
Astoria, NY 11105
3. **PERMITTEE'S REPRESENTATIVE:** Thomas Herrschaft
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** April 1, 2011
7. **EXPIRATION DATE:** March 31, 2021, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** As set forth in Special Endorsement No. 10 hereof.
9. **INSURANCE REQUIREMENTS:** \$5,000,000.00 minimum limit Commercial General Liability
\$2,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Special Endorsements, and Exhibit A

Dated: As of April 1, 2011

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

By 
 Name David Kagan
 Assistant Director (Please Print Clearly)
 (Title) Business, Properties & Airport Development

**GOLDEN TOUCH TRANSPORTATION OF NY, INC.,
Permittee**

By 
 Name THOMAS HERRSCHAFT
 (Please Print Clearly)
 (Title) President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u></u>	<u></u>



LLF/NEI

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(2)(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

(i) representation and accommodation;

(ii) load control and communications;

(iii) unit load device control, handling and administration in connection with Cargo Aircraft;

(iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "*Cleaning Service*" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "*Effective Date*" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "*Environmental Requirement*" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances,

codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Fixed Fee*" shall have the meaning given such term in Section 4(1) hereof.

(o) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(p) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(q) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided,

however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(r) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(s) "*In-Terminal Handling Service*" shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee's performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(t) "*Passenger Aircraft*" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(u) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:

- (i) representation and accommodation;
- (ii) load control and communications on ramp;
- (iii) unit load device control, handling and administration;
- (iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;
- (v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;
- (vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;
- (vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;
- (viii) providing, positioning/removing, and operating appropriate units for engine starting;
- (ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;
- (x) towing of Passenger Aircraft;
- (xi) ramp control tower services for Passenger Aircraft;
- (xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;
- (xiii) ramp area cleaning;
- (xiv) mobile fueling on the Permittee’s own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;
- (xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(v) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(w) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(y) “*Post-Termination Period*” shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

(z) “*Routine and Non-routine Aircraft Maintenance*” shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee’s indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days’ written notice by the Port Authority, or terminated without cause upon thirty (30) days’ written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours’ notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than “without cause”, the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such

statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication,

refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the

Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action

by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other

inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts

or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each

policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any

payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

- (a) The Permittee shall
- (i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;
 - (ii) furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port

Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost

importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of

the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

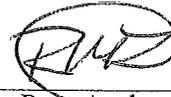
(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under

any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

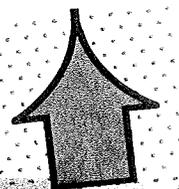


For the Port Authority

Initialed:



For the Permittee



SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or

to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 18 of the Terms and Conditions, attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at

the point or points within the Airports which may be from time to time designated by the Port Authority.

10. Notwithstanding anything to the contrary contained in this Permit, the Permittee hereby agrees that this Permit is one of the "Agreements", as such term is defined in that certain Security Agreement entered into between the Port Authority and the Permittee, dated as of September 1, 2001, and identified by Port Authority Agreement No. AX-729 (the "Security Agreement"), and that a breach or failure to perform or comply with any of the terms and conditions of the Security Agreement, including without limitation failure to provide a security deposit in accordance with the terms and provisions of the Security Agreement at any time during the term under any of the Agreements valid and available to the Port Authority or, if applicable, any failure of any banking institution issuing a letter of credit to make one or more payments as provided in security deposit, shall constitute a material breach of this Permit and the Security Agreement thereby entitling the Port Authority to immediately exercise any and all rights available to it, including without limitation the right to terminate this Permit for cause.

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

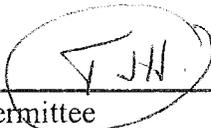
(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

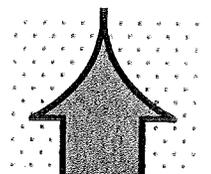


EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss
_____)

_____ who being duly sworn, deposes and says that he is
(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

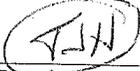
sworn to before me this
day of

(Notary Public)

Initialed:



For the Port Authority



For the Permittee



: For Port Authority Use Only :
:
:Permit Number: AX-868 :

**NEWARK LIBERTY INTERNATIONAL AIRPORT, JOHN F. KENNEDY AIRPORT AND
LAGUARDIA AIRPORT
PRIVILEGE PERMIT**

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at Newark Liberty International Airport, John F. Kennedy Airport in the Borough of Queens, County of Queens, city and State of New York, and LaGuardia Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** AIR SERV CORPORATION, a corporation of the State of New York
2. **PERMITTEE'S ADDRESS:** 29 East Merrick Road
Valley Stream, New York 11580
3. **PERMITTEE'S REPRESENTATIVE:** Clorinda Antonucci
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** July 1, 2011
7. **EXPIRATION DATE:** June 30, 2021, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** As set forth in Special Endorsement No. 10 hereof.
9. **INSURANCE REQUIREMENTS:** \$5,000,000.00 minimum limit Commercial General Liability
\$2,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Special Endorsements, and Exhibit A

Dated: As of July 1, 2011

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

By 
Name David Kagan
(Title) Assistant Director (Please Print Clearly)
Business Properties & Airport Development

AIR SERV CORPORATION, Permittee

By 
Name Thomas MacVicar
(Please Print Clearly)
(Title) Senior Vice President

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:
<u></u>	<u></u>


MDF/NEI

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(2)(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

- (i) representation and accommodation;
- (ii) load control and communications;
- (iii) unit load device control, handling and administration in connection with Cargo Aircraft;
- (iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "Cleaning Service" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "Effective Date" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "Environmental Requirement" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances,

codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Fixed Fee*" shall have the meaning given such term in Section 4(1) hereof.

(o) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(p) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(q) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided,

however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(r) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(s) "*In-Terminal Handling Service*" shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee's performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(t) "*Passenger Aircraft*" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(u) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:

- (i) representation and accommodation;
- (ii) load control and communications on ramp;
- (iii) unit load device control, handling and administration;
- (iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;
- (v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;
- (vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;
- (vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;
- (viii) providing, positioning/removing, and operating appropriate units for engine starting;
- (ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;
- (x) towing of Passenger Aircraft;
- (xi) ramp control tower services for Passenger Aircraft;
- (xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;
- (xiii) ramp area cleaning;
- (xiv) mobile fueling on the Permittee’s own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;
- (xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(v) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(w) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(y) “*Post-Termination Period*” shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

(z) “*Routine and Non-routine Aircraft Maintenance*” shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee’s indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days’ written notice by the Port Authority, or terminated without cause upon thirty (30) days’ written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours’ notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than “without cause”, the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such

statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication,

refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the

Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or ~~income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts,~~ less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action

by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other

inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts

or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each

policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

~~(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.~~

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any

payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port

Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost

importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of

the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under

any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.



For the Port Authority

Initialed:



For the Permittee

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or

to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. ~~The Permittee shall be available for and conduct business during such hours of the day~~ and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of July of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 19 of the Terms and Conditions, attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind ~~whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.~~

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at

the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of Two Hundred Fifty-five Thousand Dollars and No Cents (\$255,000.00). 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 effective period of the permission under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is a appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by 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. Failure to provide such a letter of credit at any time during the effective period of the permission, under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the security deposit, if any, theretofore made. The Permittee 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 permission under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to waiver of any default by the Permittee under the terms of this Permit and all remedies of the Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(b) The Permittee hereby certifies that its Federal Tax Identification Number is [REDACTED] for the purposes of this Special Endorsement.

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

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

~~(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;~~

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
 County of _____)ss
)

_____ who being duly sworn, deposes and says that he is
 (name)

the _____ of the above-mentioned Permittee of the Port Authority
 (title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

 (Handwritten Signature of Person Sworn)

sworn to before me this
 day of

 (Notary Public)

Initialed:



 For the Port Authority



 For the Permittee

: For Port Authority Use Only

: Permit Number: AX-869

**LAGUARDIA AIRPORT
NEWARK LIBERTY INTERNATIONAL AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT**

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at LaGuardia Airport, Newark Liberty International Airport and John F. Kennedy International Airport, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** Hyundai Tours & Travel Inc., a corporation of the State of New York
2. **PERMITTEE'S ADDRESS:** 150-52 northern Blvd, Suite 203
Flushing, NY 11354
3. **PERMITTEE'S REPRESENTATIVE:** Kang Lee
4. **PRIVILEGE:** To provide airline arranged crew and airline arranged passenger transportation services for authorized aircraft operators on Permitted Areas of the Airport to Approved Aircraft Operators or other Persons at the Airport, as such Approved Aircraft Operators and/or Persons may be approved in writing in advance by the Port Authority (the "Authorized Service"), and for no other purpose or purposes whatsoever.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** August 1, 2011
7. **EXPIRATION DATE:** July 31, 2021, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** \$2,000.00
9. **INSURANCE REQUIREMENTS:** \$5,000,000.00 minimum limit Commercial General Liability
\$2,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Exhibit A and Special Endorsements.

Dated: As of August 1, 2011

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

By [Signature]

Name _____

(Title) David Kagan (Please Print Clearly)
Assistant Director

Business Properties & Airport Development
HYUNDAI TOURS & TRAVEL, INC., Permittee

By [Signature]

Name Kang M. Lee

(Title) _____ (Please Print Clearly)

(Title) _____ President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u>[Signature]</u>	<u>[Signature]</u>

[Signature]
LLF/muw

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

- (i) representation and accommodation;
- (ii) load control and communications;
- (iii) unit load device control, handling and administration in connection with Cargo Aircraft;
- (iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "Cleaning Service" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "Effective Date" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "Environmental Requirement" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and

agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(o) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(p) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided, however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(q) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos,

polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(r) “*In-Terminal Handling Service*” shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee’s performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(s) “*Passenger Aircraft*” shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(t) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:

(i) representation and accommodation;

(ii) load control and communications on ramp;

(iii) unit load device control, handling and administration;

(iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;

(v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;

(vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;

(vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(viii) providing, positioning/removing, and operating appropriate units for engine starting;

(ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;

(x) towing of Passenger Aircraft;

(xi) ramp control tower services for Passenger Aircraft;

(xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;

(xiii) ramp area cleaning;

(xiv) mobile fueling on the Permittee's own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(u) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(v) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(x) "*Routine and Non-routine Aircraft Maintenance*" shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days' written notice by the Port Authority, or terminated without cause upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than "without cause", the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and

whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication, refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and

the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required

Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a)(i) of this Section or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a)(i) of this Section. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the Required Security Deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a)(i) of this Section. The Permittee shall have the same rights to receive such Required Security Deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the effective period of the permission granted under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount.

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and

delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement ("Other PA Agreement") to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and other obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport (or other Port Authority facility) pursuant to any such Other PA Agreement or otherwise, then all such security deposit-related obligations under such Other PA Agreement, and any deposit pursuant thereto, also shall be deemed obligations of the Permittee under this Permit and as security hereunder, as well as under any such Other PA Agreement. All provisions of such Other PA Agreement with respect to security deposit-related obligations, and any obligations thereunder of the Port Authority as to the security deposit, are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. It is understood that the term Other PA Agreement refers

both to agreements entered into prior to, or as of, the effective date of this agreement, as well as agreements hereinafter entered into.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, agents or contractors except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property

(other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy must be specifically endorsed to provide that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or

a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

(a) Without limiting the generality of any of the provisions of this Permit, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (1) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to

discrimination in the use of any space at the Airport and the exercise of any privileges under this Permit, (2) that in the construction of any improvements on, over, or under any space at the Airport and the furnishing of any service thereon by the Permittee, no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the Permittee shall use any space at the Airport and exercise any privileges under this Permit in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or

discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or

demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee

and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

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(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "Audit Findings"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by

the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and

equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any period following such expiration, revocation or termination.

30. Governing Law:

This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

31. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

Initialed:



For the Port Authority



For the Permittee

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline vehicular transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit shall be as defined in Section 1(b) of the Terms and Conditions.

(c) The term "airline vehicular transportation service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to, at and from the Airports of employees and their baggage, of an Aircraft Operator, and for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator, the charge for either of the foregoing shall be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the airline vehicular transportation service. The permission to the Permittee to provide the airline vehicular transportation service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the

provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an airline vehicular transportation service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the airline vehicular transportation service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the airline vehicular transportation service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the airline vehicular transportation service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the airline vehicular transportation service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the airline vehicular transportation service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the airline vehicular transportation service.

(d) The Permittee shall make only fair and reasonable charges for the airline vehicular transportation service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the airline vehicular transportation service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the airline vehicular transportation service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and Conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport and as further defined in Section 1(o) of the Terms and Conditions.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at the point or points within the Airports which may be from time to time designated by the Port Authority.

9. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the sum of Two Thousand Dollars and No Cents (\$2,000.00) either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or

observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Standard Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(b) The Permittee hereby certifies that its federal taxpayer identification number is [REDACTED]

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, at its sole discretion, to adjust at any time and from time to time upon fifteen (15) days notice to the Permittee, the security deposit amount as set forth in paragraph (a) above. Not later than the effective date set forth in said notice the Permittee shall deposit with the Port Authority the new security deposit subject to said paragraph (a) above.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss
_____)

_____ who being duly sworn, deposes and says that he is

(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

sworn to before me this
day of

(Notary Public)

Initialed:



For the Port Authority



For the Permittee

"PA"

: For Port Authority Use Only :
: Permit Number: AX-871 :

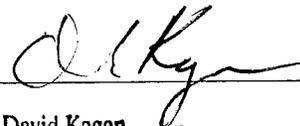
**NEWARK LIBIRTY INTERNATIONAL AIRPORT, JOHN F. KENNEDY AIRPORT AND
LAGUARDIA AIRPORT
PRIVILEGE PERMIT**

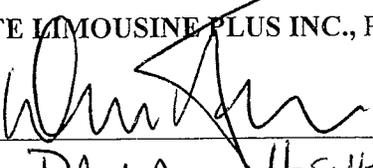
The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at Newark Liberty International Airport, John F. Kennedy Airport in the Borough of Queens, County of Queens, city and State of New York, and LaGuardia Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

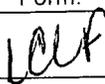
1. **PERMITTEE:** ELITE LIMOUSINE PLUS INC., a corporation of the State of New York
2. **PERMITTEE'S ADDRESS:** 32-72 Gale Avenue
Long Island City, New York 11101
3. **PERMITTEE'S REPRESENTATIVE:** David Henken
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** July 2, 2011
7. **EXPIRATION DATE:** June 30, 2021, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** As set forth in Special Endorsement No. 10 hereof.
9. **INSURANCE REQUIREMENTS:** \$5,000,000.00 minimum limit Commercial General Liability
\$2,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Special Endorsements, and Exhibit A

Dated: As of July 2, 2011

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

By 
Name David Kagan
Assistant Director (Please Print Clearly)
(Title) Business, Properties & Airport Development

ELITE LIMOUSINE PLUS INC., Permittee
By 
Name DAVID HENKEN
(Please Print Clearly)
(Title) Neo President Sons & MANDROU

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:
<u></u>	<u></u>


LLF/NEI

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(2)(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:

(i) representation and accommodation;

(ii) load control and communications;

(iii) unit load device control, handling and administration in connection with Cargo Aircraft;

(iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "Cleaning Service" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "Effective Date" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "Environmental Requirement" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances,

codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Fixed Fee*" shall have the meaning given such term in Section 4(1) hereof.

(o) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, including the rental or equipment and tools in the connection therewith. It is specifically understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(p) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(q) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided,

however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(r) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(s) "*In-Terminal Handling Service*" shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee's performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(t) "*Passenger Aircraft*" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(u) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:

- (i) representation and accommodation;
- (ii) load control and communications on ramp;
- (iii) unit load device control, handling and administration;
- (iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;
- (v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;
- (vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;
- (vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;
- (viii) providing, positioning/removing, and operating appropriate units for engine starting;
- (ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;
- (x) towing of Passenger Aircraft;
- (xi) ramp control tower services for Passenger Aircraft;
- (xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;
- (xiii) ramp area cleaning;
- (xiv) mobile fueling on the Permittee’s own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;
- (xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(v) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(w) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(y) “*Post-Termination Period*” shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

(z) “*Routine and Non-routine Aircraft Maintenance*” shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee’s indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days’ written notice by the Port Authority, or terminated without cause upon thirty (30) days’ written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours’ notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than “without cause”, the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

- (a) The rights granted hereby shall be exercised
- (i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,
 - (ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,
 - (iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,
 - (iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and
 - (v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such

statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication,

refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the

Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action

by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other

inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts

or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each

policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any

payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections “service” shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee’s capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port

Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost

importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of

the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

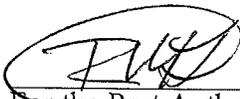
(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under

any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

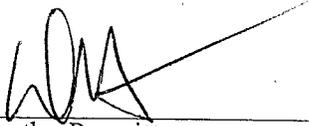
(c) The Section and paragraph headings, if any, in this Permit are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof.

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.



For the Port Authority

Initialed:



For the Permittee

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline arranged limousine transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "Airline Arranged Limousine Transportation Service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator. The service referred to in certain other agreements between the Port Authority and ground transportation operators as the "Airline Arranged Limousine Transportation Service" shall be deemed to refer to the Service.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the Airline Arranged Limousine Transportation Service. The permission to the Permittee to provide the Airline Arranged Limousine Transportation Service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded

operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an Airline Arranged Limousine Transportation Service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the Airline Arranged Limousine Transportation Service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the Airline Arranged Limousine Transportation Service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the Airline Arranged Limousine Transportation Service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the Airline Arranged Limousine Transportation Service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the Airline Arranged Limousine Transportation Service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of July of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the Airline Arranged Limousine Transportation Service.

(d) The Permittee shall make only fair and reasonable charges for the Airline Arranged Limousine Transportation Service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the Airline Arranged Limousine Transportation Service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the Airline Arranged Limousine Transportation Service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 19 of the Terms and Conditions, attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at

the point or points within the Airports which may be from time to time designated by the Port Authority.

10. (a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the sum of Three Thousand Dollars and No Cents (\$3,000.00) either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Standard Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the

deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

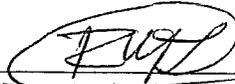
(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss
_____)

_____ who being duly sworn, deposes and says that he is
(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

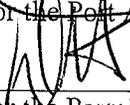
(Handwritten Signature of Person Sworn)

sworn to before me this
day of

(Notary Public)

Initialed:



For the Port Authority


For the Permittee

TA

: For Port Authority Use Only :
:
:Permit Number: AX-873 :

PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at the Airports hereinafter named, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

- 1. **PERMITTEE:** Arabian Travel Trans Corp.
- 2. **PERMITTEE'S ADDRESS:** 50-22 23rd Street
Long Island City, NY 11101
- 3. **PERMITTEE'S REPRESENTATIVE:** Mogahid Osman
- 4. **PRIVILEGE:** As set forth in Special Endorsement Number 2.
- 5. **FEES:** As set forth in Terms and Conditions Section 4, and Special Endorsement Number 3.
- 6. **EFFECTIVE DATE:** February 1, 2012
- 7. **EXPIRATION DATE:** January 31, 2022, unless sooner revoked or terminated as herein provided.
- 8. **REQUIRED SECURITY DEPOSIT:** \$1,250.00
- 9. **INSURANCE REQUIREMENTS:** As set forth in the Insurance Schedule, attached hereto.
- 10. **ENDORSEMENTS:** Special Endorsements, Insurance Schedule, and Exhibit A

Dated: As of February 1, 2011

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

By 
Name David Kagan
Assistant Director
Business Properties & ~~Development~~ (Please Print Clearly)
(Title) _____

ARABIAN TRAVEL TRANS CORP., Permittee

By 
Name MOGAHID OSMAN
(Please Print Clearly)
(Title) President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u></u>	<u>RR</u>



TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

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

(b) “*Airport*” or “*Airports*” shall mean John F. Kennedy International, Newark Liberty International and LaGuardia Airports, any or all of them, as the case may be or the context requires.

(c) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(a)(i) hereof.

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

(e) “*City*” shall mean the City of New York or the City of Newark, either or both of them, as the case may be or the context requires.

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

(g) “*Effective Date*” shall mean that date appearing in Item 6 on the Cover Page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(h) “*Environmental Requirement*” shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution

prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(i) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(j) "*General Manager of the Airport(s)*" as the context may require with respect to LaGuardia Airport and John F. Kennedy International and Newark Liberty International Airports respectively, the person or persons from time to time designated by the Port Authority to exercise the functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or acting General Manager) of each of the Airports respectively for the time being or his or her duly designated representative or representatives.

(k) "*Gross Receipts*" shall mean the definition as set forth in Special Endorsement 1(c) hereof.

(l) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(m) “*Permittee’s Recovery Fee*” shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(o) “*Scheduled Aircraft Operator*” shall mean an Aircraft Operator engaged in transportation by an aircraft operated wholly or in part on regular flights to and from the Airport(s) in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal state providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this permit unless he also holds such a permit or certificate.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the Cover Page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the Cover Page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee’s indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days’ written notice by the Port Authority, or terminated without cause upon thirty (30) days’ written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours’ notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than “without cause”, the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port

Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airports or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airports by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airports, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the Cover Page of this Permit. No exercise by the Port Authority of its rights granted to it in this paragraph (e)

shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the New York City Lease or the Newark Basic Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airports or

shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airports including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airports.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airports.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airports other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airports.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airports. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does and shall continue to have the right at any time and from time to time to withdraw the foregoing exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(e) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(f) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(g) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(h) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(i) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(j) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport(s) or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted thereunder pursuant to this paragraph (j) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(k) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airports, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the Cover Page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the Cover Page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the Cover Page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the Cover Page of this Permit,

and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a)(i) of this Section or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a)(i) of this Section. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the Required Security Deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a)(i) of this Section. The Permittee shall have the same rights to receive such Required Security Deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the effective period of the permission granted under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount.

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the Cover Page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement ("Other PA Agreement") to maintain a security deposit with the Port Authority to insure payment and performance by the

Permittee of all fees, rentals, charges and other obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airports (or other Port Authority facility) pursuant to any such Other PA Agreement or otherwise, then all such security deposit-related obligations under such Other PA Agreement, and any deposit pursuant thereto, also shall be deemed obligations of the Permittee under this Permit and as security hereunder, as well as under any such Other PA Agreement. All provisions of such Other PA Agreement with respect to security deposit-related obligations, and any obligations thereunder of the Port Authority as to the security deposit, are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. It is understood that the term Other PA Agreement refers both to agreements entered into prior to, or as of, the effective date of this agreement, as well as agreements hereinafter entered into.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airports by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airports. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airports.

(c) The Permittee shall at all times that areas of the Airports are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, agents or contractors except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airports, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport(s) covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airports when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airports when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airports. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport(s). The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airports.

(i) Without in any way limiting the generality of any other term and condition hereof, the Permittee agrees that it shall exercise the highest degree of safety and care and shall conduct all its operations under this Permit in accordance with the highest standards of the industry pertaining to its operations under the Permit and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of, or resulting from the operations of the Permittee under this Permit.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but

not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airports, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Special Endorsements and Insurance Schedule:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and separately marked "*Special Endorsements*" and "*Insurance Schedule*." The terms and provisions of the Special Endorsements and Insurance Schedule shall have the same force and effect and as if herein set forth in full.

9. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by

a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

10. Removal of Property:

The personal property placed or installed by the Permittee at the Airports shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 17 hereof, any such property remaining at the Airports after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

11. Permittee's Representative:

The Permittee's representative specified in Item 3 on the Cover Page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

12. Notices:

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the Cover Page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

13. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late

charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

14. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airports, or any right to use or occupy any space at the Airports.

15. Affirmative Action:

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

16. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airports or for the safe and efficient operation of the Airports. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any

other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airports or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

17. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airports or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airports or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airports any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airports, or
 - (vi) shall constitute a nuisance or injury in or on the Airports or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airports.

For the purpose of this paragraph (a), "Airports" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airports except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 16 or 18 hereof. In addition to and without limiting Section 18 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airports shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 16 and 18 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 16 and 18 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted

hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 16 and 18 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airports which interfere or are likely to interfere with the operation of the Airports or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airports or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airports and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airports and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airports without the written approval of the General Manager of the Airport(s); and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airports unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airports.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airports without the prior approval of the General Manager of the Airport(s) except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airports unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

18. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airports which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airports or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airports.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airports and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the New York City Lease and the Newark Basic Lease with the City of New York and the City of Newark, respectively, covering the Airports to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airports. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

19. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

20. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airports or to be placed or brought on the Airports, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

21. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airports;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(b) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airports and Airways Development Act of 1970, as the same has been amended and supplemented, and under prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airports and the activities of its contractors, lessees and permittees thereon. The performance by the Permittee of the promises and obligations contained in this Permit is therefore a special consideration and inducement to the issuance of this Permit by the Port Authority, and the Permittee further agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority

in connection with Federal Airports Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

22. Waiver of Trial by Jury:

The Permittee hereby waives its right to trial by jury in any summary proceeding or action that may hereafter be instituted by the Port Authority against the Permittee in respect of the Permit and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under this Permit. The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or action for non-payment of rents, fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

23. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

(ii) not divert or cause or allow to be diverted, any business from the Airports;

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airports, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airports, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airports, which

records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airports;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "*Books and Records*") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) hereof at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the

Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

24. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

25. New York City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the New York City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the New York City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the New York City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the New York City Lease that arise out of the Permittee's operations at the Airports, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airports with the Permittee's consent;

(v) The Permittee shall not use any portion of the Airports for any use other than as permitted under the New York City Lease;

(vi) The Permittee shall use the Airports in a manner consistent with the Port Authority's obligations under Section 28 of the New York City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

26. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

27. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airports from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any period following such expiration, revocation or termination.

28. Duties Under Other Agreements:

(a) Except as specifically provided herein to the contrary, the Permittee shall not, by virtue of the issue and acceptance of this Permit, be released or discharged from any liabilities or obligations whatsoever under any other Port Authority permits or agreements including but not limited to any permits to make alterations.

(b) In the event that any space or location covered by this Permit is the same as is or has been covered by another Port Authority permit or other agreement with the Permittee, then any liabilities or obligations which by the terms of such permit or agreement, or permits thereunder to make alterations, mature at the expiration or revocation or termination of said permit or agreement, shall be deemed to survive and to mature at the expiration or sooner termination or revocation of this Permit, insofar as such liabilities or obligations require the removal of property from and/or the restoration of the space or location.

29. Use of Personal Pronoun:

Whenever in this Permit, including all endorsements and exhibits thereto, the pronoun "it" or the adjective "its" may occur, referring to the Permittee, the said pronoun or adjective shall be deemed and taken to mean "it", "he", "him", "she", "her", "they", "them", or "its",

“his”, “her”, “hers”, “their”, or “theirs”, as the circumstances of the reference and the gender and number of the Permittee may require.

30. No Broker:

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

31. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 12 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

Initialed:



For the Port Authority



For the Permittee

SPECIAL ENDORSEMENTS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) **"Airline Vehicular Transportation Service," "Authorized Service," or "Service"** shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to and from the Airports of employees of an Aircraft Operator and their baggage, the charge for the foregoing to be on a per vehicle and not a per passenger basis and shall be payable to the Permittee by the Aircraft Operator.

(b) **"Excluded Operations"** shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its employees and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide Excluded Operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from a point on the Airport or to a point on the Airport from a point off the Airport.

(c) **"Gross Receipts"** shall mean and include all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airports, regardless of when or where the order therefor is received, and outside the Airports, if the order therefor is received at an Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Permittee's operations at the Airports, provided, however, that Gross Receipts shall not include:

(i) any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee;

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers;

(iii) subject to paragraph (e) of Special Endorsement No. 3 below, any monies paid or payable by a Aircraft Operator to the Permittee for Excluded Operations.

2. Privilege:

(a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of the Airports as may from time to time be designated by the Port Authority in connection with providing an Airline Vehicular Transportation Service to and

from the Airports.

(b) The grant of permission to the Permittee to provide the Service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline employees or baggage arriving at or departing from the Airports. The Permittee shall not solicit business either orally or through the distribution of written material on any areas of any of the Airports. The use, at any time, either on the premises occupied by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

3. Fees:

(a) The monthly statement of Gross Receipts, as referenced in Terms and Conditions Section 4(a)(ii), shall be sent to the Port Authority in the form attached hereto, hereby made a part hereof and marked "Exhibit A".

(b) The deletion of Excluded Operations from Gross Receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or waiver by the Port Authority of its right to include monies from Excluded Operations in Gross Receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the exclusion of Excluded Operations from Gross Receipts and from and after the effective date of such notice, monies paid and payable from Excluded Operations shall be included in Gross Receipts. The Port Authority agrees that it shall not give such a notice unless at the same time the Port Authority serves similar notices on all Persons who have permits with the Port Authority at the Airports granting them the privilege to provide the Service.

4. Permittee's Operations:

(a) The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the Service on a fair, equal and non-discriminatory basis to all users thereof.

(b) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing written arrangements with at least one Scheduled Aircraft Operator.

(c) The Permittee shall make only fair and reasonable charges for the Service. All rates and charges shall be filed with the General Manager of the Airport(s).

(d) The Permittee shall, upon execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of March of each year during the effective period of permission under this Permit a then current list of the Aircraft Operators customers. The Permittee shall also furnish to the Port Authority such additional information concerning its

operations hereunder as the Port Authority shall from time to time and at any time request. Further, the Permittee shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the Service.

(e) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service or similar services which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and any other furnishers of the Service; or (c) tending to create a monopoly at the Airports or any of them in connection with the Service.

6. The conveyances to be operated by the Permittee pursuant to this Permit shall all be of a type of motor vehicle especially adapted for the service to be rendered hereunder. Conveyances used in the Service shall be so constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of the Service, and the use of such conveyances shall be subject to the prior and continuing approval of the Port Authority. Vehicles generally known as taxicabs shall not be used in the Service permitted under this Permit. The Permittee shall maintain all conveyances operated by the Permittee pursuant to this Permit in good repair, order and appearance; shall keep them clean at all times; and shall keep them heated whenever used during the months of October, November, December, January, February, March, and April of each year. Vehicles shall be equipped with air conditioning which shall be activated when so requested by passengers during the months of May, June, July, August and September each year. The Permittee shall not paint, mark or identify any vehicle or conveyance to be operated by the Permittee pursuant to this Permit with the words "taxi" or "taxicab" or words of similar meaning or with marking schemes or colors tending to identify such vehicles as taxicabs and the words "taxi" or "taxicab" shall not appear on the exterior of any such vehicle. Equipment assigned to the Service under this Permit shall not carry exterior advertising. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operators at the Airports and shall file the same with the General Manager of each Airport.

7. (a) The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder.

(b) Without limiting or affecting the rights of the Port Authority under applicable law, authorized representatives of the Port Authority, its contractors, lessees or permittees shall have the right to deny access to the Permittee from time to time to any area

at any of the Airports, including terminal frontages. The Permittee acknowledges and agrees that any vehicle operated by or on behalf of the Permittee found in such areas as aforesaid maybe towed by authorized representatives of the Port Authority, its contractors, lessees or permittees. The Permittee, its employees, invitees, and others doing business with it, shall pick up and discharge passengers and load and unload baggage and packages in such reasonable time as may be determined by the Port Authority from time to time and only at the point or points within the Airports which may be from time to time designated by the Port Authority. The Permittee further understands and agrees that such point or points may, in the discretion of the Port Authority, be only those which are available to members of the general public.

8. The Port Authority makes no warranty or representation that unauthorized individuals offering services to the public the same or similar to those offered by the Permittee will not be present in the airline terminal building areas at the Airports and the Port Authority shall have no liability to the Permittee in connection therewith.

9. The Permittee shall furnish to the Port Authority upon the request of the Port Authority therefor at any time and from time to time a copy of its most recent certificate of public convenience and necessity or equivalent certificate issued by the Department of Transportation of the State of New York, the Department of Transportation of the State of New Jersey, any certificate of public convenience and necessity issued by the Interstate Commerce Commission of the United States of America and any similar license or certificate issued by any municipal or other regulatory body.

10. The Permittee hereby certifies that its Federal Employer Identification No. is [REDACTED] [REDACTED] for the purposes of Term and Condition 5.

11. Without limiting the provisions of Terms and Conditions Section 18, the Permittee shall procure all licenses, certificates, permits, franchises or other authorizations from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the states of New York or New Jersey.

13. Neither this Permit nor the Port Authority's decision to grant the same to the Permittee shall be construed as an endorsement by the Port Authority of the Permittee's service. The Permittee shall not reference the Port Authority or this Permit in the production or sale of the Service or any other business activity.

14. OFAC Compliance. (a) *Permittee's Representation and Warranty.* The Permittee hereby represents and warrants to the Port Authority that the Permittee (x) is not a person or entity with whom the Port Authority is restricted from doing business under the regulations of the Office of Foreign Assets Control ("OFAC") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked

Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as “**Blocked Persons**” and such regulations, statutes, executive orders and governmental actions being referred to herein as “**Blocked Persons Laws**”) and (y) is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The Permittee acknowledges that the Port Authority is entering into this Permit in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the Port Authority to enter into and execute this Permit.

(b) *Permittee's Covenant.* Permittee covenants that (i) during the term of the Permit it shall not become a Blocked Person, and shall not engage in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. In the event of any breach of the aforesaid covenant, the same shall constitute an event of default and, accordingly, a basis for termination of this Permit by the Port Authority, in addition to any and all other remedies provided under this Permit or at law or in equity, which does not constitute an acknowledgement by the Port Authority that such breach is capable of being cured.

(c) *Permittee's Indemnification Obligation.* The Permittee shall indemnify and hold harmless the Port Authority and its Commissioners, officers, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the Permittee's breach of any of its representations and warranties made under this Special Endorsement. Upon the request of the Port Authority, the Permittee shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provision of any statutes respecting suits against the Port Authority.

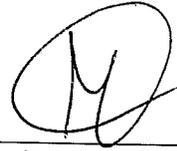
(d) *Survival.* The provisions of this Special Endorsement shall survive the expiration or earlier termination of the period of permission of this Permit.

15. The Port Authority and the Permittee were heretofore parties to Port Authority Permit No. AX-834, dated as of February 1, 2009. This Permit hereby replaces Permit No. AX-834. The Permittee shall remain liable for all obligations and liabilities which accrued under Permit No. AX-834 through the expiration or termination date of Permit No. AX-834 and all such obligations and liabilities which were expressly or impliedly stated or intended to survive the expiration or termination of said agreement shall so survive.

Initialed:



For the Port Authority



For the Permittee

INSURANCE SCHEDULE

(a) The Permittee named in the permit to which this Insurance Schedule is attached and of which it constitutes an integral part (the "Permit"), in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance and Commercial Automobile Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limit set forth below:

Minimum Limits

Commercial General Liability Insurance

Combined single limit per occurrence for death,
bodily injury and property damage liability: \$2,000,000.00

Commercial Automobile Liability Insurance

Combined single limit per occurrence for death,
Bodily injury and property damage liability: \$5,000,000.00

Workers' Compensation and Employers Liability Insurance

Permittee's obligations under the applicable State
Workers' Compensation Law for those employees of
the Permittee employed in operations conducted
pursuant to the Permit at or from the Airports: Statutory

In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of the Permit, including without limitation this Insurance Schedule.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under this Permit.

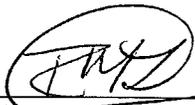
(c) All insurance coverages and policies required under this Insurance Schedule may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the period of permission under the Permit.

The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the above-scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy must be specifically endorsed to provide that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of the Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under the Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by the Permit or any other agreement or by law.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____

Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check # _____ for payment of the above fees is enclosed \$ _____

State of _____)
) ss
 County of _____)

_____ being duly sworn, deposes and says that she/he is
 (name)
 the _____ of the above-mentioned Permittee of the Port Authority
 (title)

of New York and New Jersey; that she/he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

 (Handwritten Signature of Person Sworn)

sworn to before me this _____ day of _____

 (Notary Public)



For the Port Authority

Initialed:



For the Permittee

: For Port Authority Use Only :
: Permit Number: AX-878 :

**NEWARK LIBERTY INTERNATIONAL AIRPORT, JOHN F. KENNEDY AIRPORT AND
LAGUARDIA AIRPORT
PRIVILEGE PERMIT**

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at Newark Liberty International Airport, John F. Kennedy Airport in the Borough of Queens, County of Queens, city and State of New York, and LaGuardia Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** AMERICAN LIMOUSINE, INC., a corporation of the State of New York
2. **PERMITTEE'S ADDRESS:** 81 Franklin, Turnpike
Mahwah, New Jersey 07430
3. **PERMITTEE'S REPRESENTATIVE:** Timothy Rose
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 hereof.
5. **FEES:** As set forth in Section 4 of the Terms and Conditions hereof.
6. **EFFECTIVE DATE:** January 1, 2013
7. **EXPIRATION DATE:** December 31, 2022, unless sooner revoked or terminated as herein provided.
8. **REQUIRED SECURITY DEPOSIT:** \$50,000.00
9. **INSURANCE REQUIREMENTS:** \$2,000,000.00 minimum limit Commercial General Liability
\$2,000,000.00 minimum limit Automobile Liability
10. **ENDORSEMENTS:** Special Endorsements, and Exhibit A

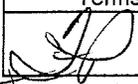
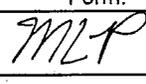
Dated: As of January 1, 2013

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

By 
Name David Kagan
(Title) Assistant to the Director
Business Properties & Airport Development
(Please Print Clearly)

AMERICAN LIMOUSINE, INC., Permittee

By 
Name TIMOTHY ROSE
(Please Print Clearly)
(Title) President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
<u></u>	<u></u>

LLF/NEI

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) “*Air Cargo*” shall mean cargo transported to or from the Airport by aircraft owned or operated by an Approved Aircraft Operator.

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

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

(d) “*Approved Aircraft Operator*” shall mean an Aircraft Operator which the General Manager of the Airport has authorized to conduct its aircraft operations at the Airport and if such Aircraft Operator is subleasing or subusing space, or has a ground handling agreement or other agreement at the Airport with an Aircraft Operator, a lessee or other Person at the Airport which requires the consent of the Port Authority, each such subleasing, subuse, ground handling agreement or other agreement has been consented to in writing by the Port Authority.

(e) “*Basic Percentage Fee*” shall have the meaning given such term in Section 4(2)(a)(i) hereof.

(f) “*Cargo Aircraft*” shall mean aircraft engaged solely and exclusively in the carriage of Air Cargo.

~~(g) “*Cargo Handling and Ramp Service*” shall mean all or any of the following services for or in connection with Air Cargo:~~

~~(i) representation and accommodation;~~

~~(ii) load control and communications;~~

~~(iii) unit load device control, handling and administration in connection with Cargo Aircraft;~~

~~(iv) flight operations and crew administration in connection with Cargo Aircraft, including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;~~

(v) pickup and delivery of Air Cargo, air express and mail to and from appropriate locations (allowed or designated from time to time by the Port Authority for such pickup and delivery) on the Airport;

(vi) preparation of documentation associated with Air Cargo, including but not limited to cargo manifests, airway bills and customs clearance documentation;

(vii) distribution of Air Cargo;

(viii) reception of Air Cargo to be shipped from the Airport;

(ix) temporary warehousing, sorting and storage of Air Cargo;

(x) supervision and administration;

(xi) courier services;

(xii) guiding Cargo Aircraft in and out of gate or loading or unloading positions and parking Cargo Aircraft;

(xiii) providing, positioning/removing, and operating appropriate units for engine starting for Cargo Aircraft;

(xiv) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew members and other persons, ballast, potable water, mail, air express, Air Cargo and supplies onto and from aircraft and trucks, and performing such loading and unloading and reporting irregularities;

(xv) providing a fire guard equipped with the necessary and appropriate fire fighting equipment for Cargo Aircraft;

(xvi) towing of Cargo Aircraft;

(xvii) ramp control tower services for Cargo Aircraft;

~~(xviii) Cargo Aircraft servicing, including interior and exterior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, and toilet service;~~

(xix) conversion operations and services consisting of the removal of seats from convertible-type aircraft, so as to convert the same to Cargo Aircraft, and from Cargo Aircraft to Passenger Aircraft by the installation of seats;

(xx) ramp area cleaning;

(xxi) Gateside Aircraft Maintenance of Cargo Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xxii) mobile fueling, on the Permittee's own account, for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;

(xxiii) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xxiv) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;

(xxv) triturator operations and maintenance;

(xxvi) snow removal; and

(xxvii) security services for and in connection with Air Cargo and Cargo Aircraft.

(h) "City" shall mean the City of New York.

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

(j) "Cleaning Service" shall mean all or any of the following services:

(i) the cleaning, repairing and installing of upholstery, carpeting and curtains in aircraft and linens used on aircraft;

(ii) the complete interior and exterior cleaning of aircraft, the removal and disposal of waste material and providing water service, cooling and heating, and toilet service;

(iii) conversion operations and services consisting of the removal of seats from convertible-type aircraft so as to convert the same to Cargo Aircraft and from Cargo Aircraft to Passenger Aircraft by installation of seats;

(iv) ramp area cleaning services; and

(v) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport.

(k) "Effective Date" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(l) "Environmental Requirement" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances,

codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, approvals, plans, authorizations, concessions, franchises, requirements and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

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

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

(m) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(n) "*Fixed Fee*" shall have the meaning given such term in Section 4(1) hereof.

(o) "*Gateside Aircraft Maintenance*" shall mean such emergency transit and turnaround maintenance performed on the aircraft of an Aircraft Operator as may be performed in the time such aircraft is permitted to be and remain at the aircraft gate position or hardstand at which such maintenance is to be performed and which is performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specifically licensed, certified or approved by governmental authority having jurisdiction, ~~including the rental or equipment and tools in the connection therewith. It is specifically~~ understood that the performance of any other aircraft maintenance, including but not limited to Routine and Non-routine Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder.

(p) "*General Manager of the Airport*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(q) "*Gross Receipts*" shall mean all amounts, monies, revenues, receipts and income of every type paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other amounts, monies, revenues, receipts and income of any type arising out of or in connection with the Authorized Service, provided,

however, there shall be excluded from Gross Receipts any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee. The Permittee's Recovery Fee, as hereinafter defined, if any, shall be included within Gross Receipts and shall be subject to the fees set forth under Section 4 of this Permit.

(r) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(s) "*In-Terminal Handling Service*" shall mean all or any of the following services for or in connection with passengers of Passenger Aircraft:

(i) furnishing interpreters for the assistance of non-English-speaking passengers;

(ii) inbound and outbound passenger baggage handling services, including but not limited to checking, weighing, handling and storage of aircraft baggage;

(iii) selling of tickets for air transportation;

(iv) checking in and boarding aircraft passengers;

(v) porter service for passenger baggage;

(vi) passenger assistance, passenger information service, flight information and public address paging and announcements;

(vii) supervisory and administrative functions on behalf of Approved Aircraft Operators in conjunction with the Permittee's performance of the other activities constituting a part of the In-Terminal Handling Service;

(viii) the arrangement of ground transportation of crew, passengers and baggage;

(ix) handicapped services;

(x) security and pre-board screening;

(xi) building janitorial and maintenance; and

(xii) lounge hosting services.

(t) "*Passenger Aircraft*" shall mean aircraft owned or operated by an Approved Aircraft Operator engaged primarily in the transportation of passengers by aircraft to and from the Airport.

(u) “*Passenger Ramp Service*” shall mean all or any of the following services for or in connection with Passenger Aircraft:

- (i) representation and accommodation;
- (ii) load control and communications on ramp;
- (iii) unit load device control, handling and administration;
- (iv) baggage handling and sorting, including delivering baggage to and from Passenger Aircraft and to and from baggage facilities, provided, however, no permission is hereby given for the Permittee to deliver baggage from one terminal to another unless they are part of the same premises; sorting baggage in baggage makeup facilities; and delivering baggage to and from interline system permittees;
- (v) guiding Passenger Aircraft in and out of gates or loading and unloading positions and parking Passenger Aircraft;
- (vi) furnishing and placing in position and thereafter removing the necessary and appropriate steps, stands and power equipment for the safe and efficient loading and unloading of crew, passengers, baggage, ballast, potable water, mail, air express, Air Cargo and supplies from and onto Passenger Aircraft and trucks, and perform such loading and unloading and reporting irregularities;
- (vii) deicing to the exterior of aircraft of Approved Aircraft Operators at such locations on the Airport as may from time to time be designated by the General Manager of the Airport;
- (viii) providing, positioning/removing, and operating appropriate units for engine starting;
- (ix) providing a fire guard equipped with the necessary and appropriate fire fighting equipment;
- (x) towing of Passenger Aircraft;
- (xi) ramp control tower services for Passenger Aircraft;

- (xii) Passenger Aircraft servicing, including exterior and interior cleaning, the removal and disposal of aircraft waste material and providing water service, cooling and heating, toilet service, and rearranging cabin equipment;
- (xiii) ramp area cleaning;
- (xiv) mobile fueling on the Permittee’s own account for automotive and other ramp equipment using mobile tender vehicles or other equipment as may be approved from time to time by the General Manager of the Airport;
- (xv) Gateside Aircraft Maintenance of Passenger Aircraft, it being specifically understood, however, that Routine and Non-routine Aircraft Maintenance, as distinguished from Gateside Aircraft Maintenance, is hereby prohibited unless expressly provided for hereunder;

(xvi) flight operations and crew administration including but not limited to obtaining and providing meteorological reports, briefing and debriefing flight crews, preparing and filing flight plans, dispatching and receiving messages in connection with flight and ground operations, maintaining station logs and filing necessary reports with governmental agencies, preparing weight and balance plans, maintaining flight watch and arranging hotel accommodations for flight crews;

(xvii) ramp transportation for crew, passengers and baggage;

(xviii) supervisory and administrative functions on behalf of Approved Aircraft Operators of Passenger Aircraft;

(xix) the rental, on the Permittee's own account, of ground service equipment, vehicles and parts and of ramp equipment, vehicles and parts to Approved Aircraft Operators at the Airport, and the provision, on the Permittee's own account, of a maintenance and/or management service for ground service equipment, vehicles and parts and ramp equipment, vehicles and parts owned or operated by Approved Aircraft Operators at the Airport;

(xx) catering liaison and administration;

(xxi) triturator operations and maintenance;

(xxii) snow removal; and

(xxiii) security services for passengers and baggage, cargo and mail, catering, and on aircraft, ramp and other designated areas.

(v) "*Permitted Areas*" shall mean with respect to the Authorized Service the following areas of the Airport and only such areas:

(i) those areas where the Permittee is authorized pursuant to a separate lease, permit or other written agreement (other than this Permit) with the Port Authority to provide such Authorized Service;

(ii) any area which pursuant to a written agreement the Port Authority has either leased to a third Person or has otherwise permitted a third Person to use and occupy and where (x) the Permittee performs such Authorized Service on such area for such Person or has ~~obtained permission from such Person to perform such Authorized Service for an Approved Aircraft Operator on such area and~~ (y) the performance of such Authorized Service for such Approved Aircraft Operator on such area is permitted by a written agreement with the Port Authority covering such area; or

(iii) such areas as may hereafter be designated in writing by the Port Authority for the performance of such privileges by the Permittee, it being understood and agreed that the Port Authority shall have the right at any time and from time to time to revoke, cancel, change or alter any such designation.

(w) "*Permittee's Recovery Fee*" shall mean any surcharge or other amount that the Permittee may separately state and charge its customers to recover the fee, or portion thereof, payable under this Permit.

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

(y) “*Post-Termination Period*” shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

(z) “*Routine and Non-routine Aircraft Maintenance*” shall mean all work including but not limited to the inspection, maintenance, servicing, testing, overhaul, cleaning, conversion, repair and installation of parts and supplies on aircraft and on aircraft parts of Approved Aircraft Operators performed by or required by law, rule or regulation to be performed by or under the supervision of a licensed aircraft mechanic or other person specially licensed, certified or approved by governmental authority, including the rental of tools and equipment in connection therewith.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee’s indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days’ written notice by the Port Authority, or terminated without cause upon thirty (30) days’ written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours’ notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises its right to revoke this Permit for any reason other than “without cause”, the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) ~~The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.~~

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

(i) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(ii) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(iii) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees,

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other Person. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

(e) This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein. Without limiting the generality of the foregoing and notwithstanding anything else in this Permit to the contrary, the Permittee is expressly prohibited hereunder from performing ground transportation, fueling of aircraft and the selling and delivery of in-flight meals.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) (i) The Permittee agrees to pay to the Port Authority, at the times set forth in and in accordance with paragraph (a)(ii) below, a percentage fee (the "*Basic Percentage Fee*") equal to five percent (5%) (as the same may be increased pursuant to paragraph (k) below) of Gross Receipts.

(ii) Gross Receipts shall be reported and the Basic Percentage Fee shall be paid to the Port Authority by the Permittee as follows: On or before the twentieth (20th) day of the first month following the month in which the Effective Date falls and on the twentieth (20th) day of each and every calendar month thereafter during the period that this Permit is in effect and including the calendar month in which this Permit ceases to be in effect, the Permittee shall render to the Port Authority a monthly statement sworn to by a responsible executive or fiscal officer of the Permittee showing all of the Gross Receipts for the preceding month (the "Monthly Sworn Statement of Gross Receipts"). Each of the said statements shall also show the cumulative Gross Receipts from the Effective Date (or the most recent anniversary thereof) through the last day of the preceding month. At the same time each of the said statements is rendered to the Port Authority, the Permittee shall pay to the Port Authority an amount equal to five percent (5%) applied to the Gross Receipts for the preceding calendar month. In addition to the foregoing, on the twentieth (20th) day of the first month following each anniversary of the Effective Date the Permittee shall submit to the Port Authority a statement setting forth the cumulative totals of the Gross Receipts for the entire preceding twelve (12) month period certified, at the Permittee's expense, by a certified public accountant or a responsible executive or fiscal officer of the Permittee ("Annual Statement of Gross Receipts"). In addition to the foregoing, within twenty (20) days after the expiration, termination, revocation or cancellation of this Permit, the Permittee shall render to the Port Authority a sworn statement certified, at the Permittee's expense, by a certified public accountant of all Gross Receipts during the period from the last preceding anniversary of the Effective Date up to and including the last day this Permit shall be in effect and the Permittee shall, at the time of rendering such statement to the Port Authority, pay the Basic Percentage Fee due and unpaid as of the last day this Permit shall be in effect. The Permittee shall give the name and position of the responsible executive or fiscal officer designated under this paragraph to submit Monthly Sworn Statement and Annual Statement of Gross Receipts, ten (10) business days prior to the submission of the first such

statement by the designee of the Permittee, so that the Port Authority may determine whether it will accept such designation. The designation shall be submitted to the Manager of Properties for the Airport. If such timely notice is not given to the Port Authority, the Permittee shall submit such statement to the Port Authority in a form executed by a certified public accountant.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

(c) There shall be excluded from Gross Receipts any sum paid or payable to the Permittee for the following, provided said sum is separately stated to and paid by the customer:

- (i) handicapped services;
- (ii) security services;
- (iii) lost and found baggage services;
- (iv) snow removal services;
- (v) ground transportation of employees; and
- (vi) building janitorial and maintenance services,

provided further, however, the Permittee acknowledges and agrees that the Port Authority does ~~and shall continue to have the right at any time and from time to time to withdraw the foregoing~~ exclusions from Gross Receipts, in whole or in part, or to establish a separate fee for each such service, which may be a percentage fee other than five percent (5%), upon sixty (60) days' prior written notice to the Permittee. Notwithstanding the foregoing, any fee established must be agreed to by the Permittee and the Port Authority and must be reflected in a supplement to this Permit to be prepared by the Port Authority and executed by the parties hereto.

(d) In the event the Permittee shall be permitted hereunder to provide Gateside Aircraft Maintenance or Routine and Non-routine Aircraft Maintenance services, there shall be excluded from Gross Receipts any sum paid or payable to the Permittee:

(i) which arise solely from the resale to a customer of aircraft parts and supplies purchased by the Permittee from a third party, provided, however, that there shall be included in Gross Receipts monies paid or payable to the Permittee which arise from the sale of such aircraft parts and supplies to which the Permittee has provided labor for fabrication,

refinishing or assembly to the extent of the reasonable value of the labor provided by the Permittee;

(ii) which arise solely from the use of equipment rented by the Permittee from a third party which monies are separately stated to and paid by the customer, limited, however, to the amounts actually paid by the Permittee to the third party for such rental of equipment; and

(iii) which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, which monies are separately stated to and paid by a customer and where said loan or rental of any such aircraft part is for a period of less than twelve (12) consecutive calendar days, it being understood that such monies paid or payable to the Permittee for the loan or rental may include monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said loan or rental provided, however, all monies paid or payable to the Permittee which arise solely from the loan or rental by the Permittee of aircraft parts, whether or not owned by the Permittee, for twelve (12) or more consecutive calendar days (including but not limited to monies for labor provided by the Permittee for installation, refurbishment of returned parts or administrative handling which is directly related to said lease or rental) shall be included in Gross Receipts from the first day of the loan or rental period, as the case may be.

(e) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(f) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(g) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(h) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(i) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in this Section and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(j) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(k) The Basic Percentage Fee and any other fees payable under this Permit shall be subject to increase from time to time upon thirty (30) days' notice from the Port Authority to the Permittee, given by the General Manager of the Airport or such other representative as the Port Authority may substitute from time to time by notice to the Permittee, and upon the effective date of the increase set forth in such notice the fees payable by the Permittee under this Permit shall be as set forth in said notice. In the event within ten (10) days after the Permittee receives such notice from the Port Authority, the Permittee notifies the Port Authority that the Permittee does not wish to pay the increased fees, this Permit and the permission granted hereunder shall be, and shall be deemed to be, cancelled effective at the close of business on the day preceding the effective date of the increase, as set forth in the Port Authority's notice to the Permittee. If the Permittee does not so notify the Port Authority, the increased fees shall become effective on the date set forth in the Port Authority's notice as aforesaid. No cancellation of this Permit and the permission granted thereunder pursuant to this paragraph (k) shall be construed to relieve the Permittee of any obligations or liabilities hereunder which shall have accrued on or before the effective date of such cancellation.

(l) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the

Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. ~~The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.~~

(ii) In lieu of the Required Security Deposit made in the form described above in paragraph (a)(i), the Permittee may at any time during the effective period of the permission granted under this Permit offer to deliver to the Port Authority, as security for all obligations of the Permittee under this Permit, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than \$20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for ~~automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of~~ credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action

by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon sixty (60) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee shall daily remove from the Airport by means of facilities provided by it all garbage, debris and other waste material (whether solid or liquid) arising out of or in connection with the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other

inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

(g) The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the General Manager of the Airport. The Port Authority shall have the right to object to the Permittee as to the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts

or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

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

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit, and Commercial Automobile Liability Insurance covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each

policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith.

(d) Each policy shall contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

~~(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.~~

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. Notices:

~~Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.~~

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any

payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

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

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

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority

may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) Without limiting any other term or provision hereof, the Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third Persons, including the United States of America, resulting from the Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

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

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Section, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof, or upon the contents of any building thereon, shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

18. Prohibited Acts

- (a) The Permittee shall not do or permit to be done any act which
- (i) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or
 - (ii) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or
 - (iii) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or
 - (iv) may cause or produce upon the Airport any unusual noxious or objectionable smokes, gases, vapors or odors, or
 - (v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or
 - (vi) shall constitute a nuisance or injury in or on the Airport or which may result in the creation, commission or maintenance of a nuisance or injury in or on the Airport.

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of Sections 17 and 19 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall immediately give notice to the Port Authority (to be followed by written notice and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

(a) The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat.

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

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

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

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

23. Capacity and Competition:

(a) The Permittee shall refrain from entering into continuing contracts or arrangements with any third Person for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other Person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

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

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

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port

Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "Affiliate" and all such companies being hereinafter called the "Affiliates") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "Books and Records") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) ~~permit the inspection by the officers, employees and representatives of the~~ Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost

importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge (s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. Such service charge shall not be payable if the Port Authority has received, for each month covered by the examination and audit period, the Monthly Sworn Statement of Gross Receipts, as provided in Section 4(a)(ii). No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority of payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of

the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority thereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease that arise out of the Permittee's operations at the Airport, or arise out of the acts or omissions of the Permittee's officers, employees, agents, representatives, contractors, customers, business visitors and guests at the Airport with the Permittee's consent;

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

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Counterclaims:

The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts, which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) The Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(b) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

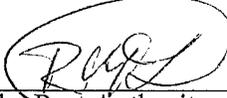
(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, Director, officer, agent or employee of either party shall be charged personally by the other party with any liability, or held liable to the other party, under

any term or provision of this Permit, or because of the party's execution or attempted execution, or because of any breach thereof.

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

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.



For the Port Authority

Initialed:



For the Permittee

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the non-exclusive privilege to use the routes, roads and ways of Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport (hereinafter collectively referred to as the "Airports") as may from time to time be designated by the Port Authority in connection with providing an airline arranged limousine transportation service as defined in paragraph (c) of this Special Endorsement.

(b) The term "Aircraft Operator" as used in this Permit, as defined in Section 1(c) of the Terms and Conditions hereof shall mean (i) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (ii) a person to whom one or more aircraft are leased or chartered for operation; whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. The said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.

(c) The term "Airline Arranged Limousine Transportation Service" (sometimes hereinafter in these Special Endorsements referred to as the "Service") shall mean the service of providing ground transportation (utilizing proper vehicles and drivers) at the request of an Aircraft Operator for the transportation to and from the Airports of passengers and their baggage, of an Aircraft Operator. The service referred to in certain other agreements between the Port Authority and ground transportation operators as the "Airline Arranged Limousine Transportation Service" shall be deemed to refer to the Service.

(d) The Permittee shall have no right hereunder to carry on or conduct any business operation or services at the Airports including but not limited to any ground transportation service, other than the Airline Arranged Limousine Transportation Service. The permission to the Permittee to provide the Airline Arranged Limousine Transportation Service as provided above shall not be construed as being applicable to any establishment or operation by the Permittee of facilities outside the Airports for the handling of airline crews, passengers, employees and baggage arriving at or departing from the Airports. The Permittee shall not solicit business on the public areas of the Airports or on the premises of, or on any other area at each Airport occupied exclusively by, an Aircraft Operator. The use, at any time, either on the premises occupied exclusively by an Aircraft Operator or elsewhere on each Airport, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited and any advertising or signs shall be subject to continuing Port Authority approval.

(e) Notwithstanding the provisions of Special Endorsement No. 4, it is hereby understood and agreed that monies received or receivable by the Permittee from an Aircraft Operator for "excluded operations" as hereinafter defined shall not be includable in gross receipts. "Excluded operations" shall mean those instances where the Permittee provides to an Aircraft Operator ground transportation of its passengers and their baggage utilizing the vehicles and drivers of the Permittee, which ground transportation is not part of any regular or periodic scheduling arrangement between the Permittee and the Aircraft Operator (although the Permittee may have a contract with the Aircraft Operator to provide excluded operations as the need occurs) but arises from time to time only because the Aircraft Operator, due to unforeseen conditions, such as flight delays, cancellations and other scheduling disruptions, desires to transport a group of its passengers by ground carrier to a point off the Airport from the Airport or to a point on the Airport from the Airport. The foregoing deletion of monies from excluded

operations from gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to include monies from excluded operations in gross receipts. Accordingly, the Port Authority shall have the right at any time in its sole and absolute discretion on sixty days' written notice to the Permittee to delete the provisions of this paragraph (e), and from and after the effective date of such notice, monies received from excluded operations shall be included in gross receipts under Special Endorsement No. 4. The Port Authority agrees that it shall not give such notice unless at the same time the Port Authority serves similar notices on all persons who have permits with the Port Authority at the Airports granting them the privilege to provide an Airline Arranged Limousine Transportation Service.

2. (a) By execution of this Permit, the Permittee represents to the Port Authority that it has valid existing contracts with at least one Scheduled Aircraft Operator (as hereinafter defined) for the operation by the Permittee of the Airline Arranged Limousine Transportation Service on behalf of said Scheduled Aircraft Operator. The Permittee recognizes that a principal purpose of the Port Authority in granting the permission under this Permit is to have available for Aircraft Operators at the Airports a pool of ground carrier permittees, of which the Permittee hereunder is one, to provide the Airline Arranged Limousine Transportation Service for the better accommodation, convenience and welfare of such Aircraft Operations and the safe and efficient operation of the Airports and in part pursuant to agreement between the Port Authority and certain Scheduled Aircraft Operators. The Permittee agrees that it will conduct a first-class operation and will furnish all equipment, personnel (including licensed personnel as necessary) supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish the service on a fair, equal and non-discriminatory basis to all users thereof.

(b) The conveyances to be operated by the Permittee in providing the Airline Arranged Limousine Transportation Service shall all be of a type of motor vehicle especially adapted therefor. Such conveyances shall be constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of providing the Airline Arranged Limousine Transportation Service, and the use of each such conveyances shall be subject to the prior and continuing approval of the Port Authority. The Permittee shall maintain all such conveyances in good repair, order and appearance, shall keep them clean at all times and shall keep them heated whenever used during the months of October, November, December, January, February, March and April of each year. No vehicle utilized by the Permittee in performing the Airline Arranged Limousine Transportation Service shall be moved unless and until all persons therein are seated. The Permittee shall be available for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the Aircraft Operations at the Airports and shall file the same with the General Manager of each Airport.

(c) The Permittee shall, upon the execution of this Permit, furnish to the Port Authority the names of its existing Aircraft Operator customers and shall thereafter furnish to the Port Authority in the month of July of each year during the effective period of the permission under this Permit a then current list of its Aircraft Operator customers. The Permittee shall also furnish to the Port Authority such additional information concerning its operations hereunder as the Port Authority shall from time to time and at any time request. The Permittee hereby agrees that it shall promptly advise the Port Authority if at any time hereafter it no longer has any Scheduled Aircraft Operators as a customer pursuant to a valid existing contract to provide the Airline Arranged Limousine Transportation Service.

(d) The Permittee shall make only fair and reasonable charges for the Airline Arranged Limousine Transportation Service. All rates and charges shall be filed with the General Manager of each Airport.

3. Neither a partnership nor any joint venture is hereby created, notwithstanding the fact that the fee to be paid hereunder is determined by the gross receipts from the operations hereunder of the Permittee. The granting of a privilege hereby shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of permit or otherwise.

4. (a) The term "gross receipts" shall mean all money received or receivable by the Permittee for or in connection with the Airline Arranged Limousine Transportation Service including full charge for any trips, any part of which trip is on either Airport, and including the cash value of tickets or tokens when used, and all advertising and any other revenues of any type arising out of or in connection with the Permittee's operation of the Airline Arranged Limousine Transportation Service at the Airports hereunder, provided, however, that "gross receipts" shall not include:

(i) any taxes imposed by law and directly payable to a taxing or tax collecting authority by the Permittee; and

(ii) any highway, bridge or tunnel tolls, advanced by the Permittee on behalf of its customers, which are separately stated and paid by the Permittee's customers.

(b) Without limiting the generality of Section 24 of the Terms and conditions attached hereto, the Permittee shall, simultaneously with its payment of fees each month as provided in Section 4 of the Terms and Conditions, file a monthly report of gross receipts in the form attached hereto and made a part hereof as "Exhibit A".

5. It is hereby expressly understood that the fixing of the percentage fee applicable to the Permittee's gross receipts shall not create or be deemed to create as to the Permittee or any third party a precedent or a waiver by the Port Authority of its right to impose a greater percentage fee with respect thereto. Notwithstanding the foregoing, any such change in percentage fee must be agreed to and be reflected in a Supplement to this Permit and be executed by the parties hereto.

6. The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish the Service which will have the effect of (a) fixing rates and charges to be paid by users of the Service; (b) lessening or preventing competition between the Permittee and such other furnisher of the Service; or (c) tending to create a monopoly on the Airports in connection with the furnishing of the Service.

7. (a) Whenever the terms "Facility", "Airport" or "Airports" appear in the Permit, they shall be deemed to mean Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport, all or each as the case may be or the context may require.

(b) The words "permission" and "privilege" are used interchangeably in this Permit.

(c) The term "Manager of the Airport" shall mean "General Manager of the Airport" as the context may require with respect to each Airport.

(d) The term "Scheduled Aircraft Operator" shall mean an Aircraft Operator engaged in transportation by aircraft operated wholly or in part on regular flights to and from the Airport in accordance with published schedules; but so long as the Federal Aviation Act of 1958, or any similar federal statute providing for the issuance of Foreign Air Carrier Permits or Certificates of Public Convenience and Necessity or substantially similar permits or certificates is in effect, no person shall be deemed to be a Scheduled Aircraft Operator within the meaning of this Permit unless he also holds such a permit or certificate.

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

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

(g) The term "Newark Liberty International Airport" shall mean the land and premises in the County of Essex and State of New Jersey, which are westerly of the Central Railroad of New Jersey and are shown upon the exhibit attached to the Basic Lease and marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of terminal area in the City of Newark", and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

8. Without limiting the provisions of Section 19 of the Terms and Conditions, attached hereto, the Permittee shall procure all licenses, certificate permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of the Service. Neither the issuance of this Permit nor anything contained herein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality or county in the States of New York or New Jersey.

9. The routes, roads and ways within each Airport over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way and does not agree to keep the same unobstructed or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Permit, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers only at

the point or points within the Airports which may be from time to time designated by the Port Authority.

10. The Permittee hereby certifies that its Federal Tax Identification Number is [REDACTED] for the purposes of Section No. 5 of the Terms and Conditions.

11. This permit and any claim, dispute or controversy arising out of, under or related to this permit shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

12. This Special Endorsement shall apply to LaGuardia Airport and John F. Kennedy International Airport:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

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

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

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security and other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City. As third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

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

(vi) The Permittee shall use the Space in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease.

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(ix) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.



For the Port Authority

Initialed:



For the Permittee

EXHIBIT A
Monthly Report of Gross Receipts
Airline Vehicular Transportation Service

Name of Permittee _____

Port Authority Permit No. _____

Month _____ Year _____

	<u>JFK</u>	<u>LGA</u>	<u>EWR</u>	<u>Total</u>
<u>Gross Receipts</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>P.A. Fee at 5%</u>	\$ _____	\$ _____	\$ _____	\$ _____

Check# _____ for payment of the above fees is enclosed \$ _____

State of _____)
County of _____)ss

_____ who being duly sworn, deposes and says that he is
(name)

the _____ of the above-mentioned Permittee of the Port Authority
(title)

of New York and New Jersey; that he is familiar with the gross receipts reporting obligation of the said Permittee, and that the foregoing statement of gross receipts, as this term is defined in the Permit listed above, accurately reflects the operations and payment obligation of the Permittee for the month indicated and will thus be relied upon by the Port Authority.

(Handwritten Signature of Person Sworn)

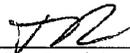
sworn to before me this
day of

(Notary Public)

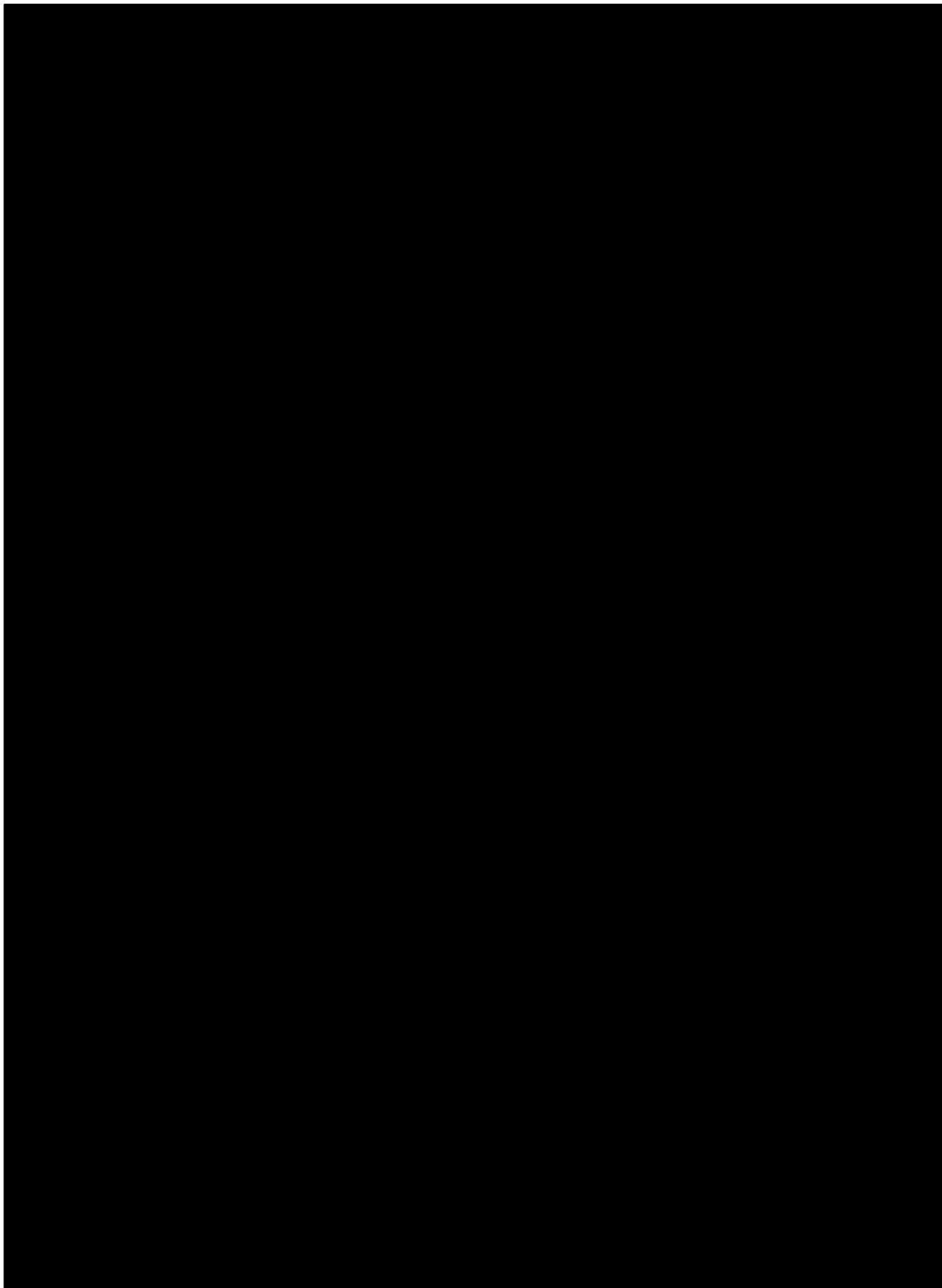


For the Port Authority

Initialed:



For the Permittee





AGT-104

THE PORT AUTHORITY OF NY & NJ

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

INVITATION FOR BID/PUBLIC BID OPENING BID INFORMATION

TITLE: FOR-HIRE GROUND TRANSPORTATION SERVICE AT JOHN F. KENNEDY AIRPORT (JFK), LAGUARDIA AIRPORT (LGA), AND NEWARK INTERNATIONAL AIRPORT (NIA)

BID NO.: 00000012627

SUBMIT SEALED BIDS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS
WHERE THEY WILL BE PUBLICLY OPENED AND READ

BID DUE DATE:	APRIL 09, 2007	TIME: 11:00 AM
QUESTIONS BY:	MARCH 20, 2007	
BUYER NAME:	T. J. Storch	PHONE NO.: (212) 435-3936
		FAX NO.: (212) 435-3959
		E-MAIL: tstorch@panynj.gov

BIDDER INFORMATION (TO BE COMPLETED BY THE BIDDER) (PLEASE PRINT)

(AGT-104)

GOLDEN TOUCH TRANSPORTATION OF NY INC.
(NAME OF BIDDING ENTITY)

109-15 14TH AVENUE

COLLEGE POINT, NEW YORK 11356
(ADDRESS)

THOMAS HERRSCHAFT, PRESIDENT/CEO
(CITY, STATE AND ZIP CODE)

[REDACTED]
(REPRESENTATIVE TO CONTACT-NAME & TITLE) (TELEPHONE) (718) 661-4341

(FEDERAL TAX I.D. NO.) (FAX NO.)

BUSINESS CORPORATION PARTNERSHIP INDIVIDUAL

OTHER (SPECIFY): _____

*JOHN F. KENNEDY INTERNATIONAL &
LAGUARDIA AIRPORTS
AND
NEWARK LIBERTY INTERNATIONAL AIRPORT*

FOR - HIRE

AIRPORT GROUND TRANSPORTATION SERVICE

INVITATION FOR BIDS

Aviation Department

**THE PORT AUTHORITY
OF NY & NJ**

INFORMATION FOR BIDDERS

INFORMATION FOR BIDDERS

The Port Authority of New York and New Jersey (hereinafter called the "Port Authority") invites Bids to promote "For-Hire Service," as further described herein, to the public at self-service telephone boards at John F. Kennedy International and LaGuardia Airports and/or Newark Liberty International Airport.

Bids will be received until 11 :00 A.M. on April 09, 2007, in The Port Authority of New York and New Jersey, Purchasing Division, One Madison Avenue, New York, New York 10010 Attention: Manager, Purchasing Division. Each Bid shall be sealed and conspicuously endorsed with the bidder's name.

The receipt of this invitation from the Port Authority does not mean and should not be interpreted to mean that the Port Authority has reached any conclusions as to the qualifications of any recipient of this invitation to submit a Bid hereunder or to develop, operate or provide For-Hire Service from John F. Kennedy and LaGuardia Airports and/or Newark Liberty International Airport.

ARTICLE I. PURPOSE AND BACKGROUND

- (a) The Port Authority provides for the operation of several different categories of commercial ground transportation at the Airports, including Privileged Shared-Ride Service, Non-Privileged Shared-Ride Service, High Volume Scheduled Coach Service, Incidental Coach Service and For-Hire Service. The purpose of this invitation is to seek Bids to promote For-Hire Service to the public at customer self-service telephone boards located inside Airport terminal buildings.

In this invitation, the Port Authority seeks Bids to promote For-Hire Service from (i) John F. Kennedy International (JFK) and LaGuardia Airports (LGA) to all points in the surrounding metropolitan region and/or (ii) Newark Liberty International Airport (EWR) to all points in the surrounding metropolitan region.

THIS INVITATION DOES NOT SEEK ANY GROUND TRANSPORTATION SERVICE TO BE PAID FOR BY THE PORT AUTHORITY; FARES WILL BE CHARGED TO THE PUBLIC BY THE FOR-HIRE SERVICE PROVIDER. Such service shall be offered only on a per vehicle basis (by either an hourly or flat rate charge for the use of a vehicle). The term "For-Hire Service Providers" shall mean successful bidders under this invitation. For-Hire Service Providers will not be permitted to offer or advertise transportation on a per head basis at or through the self-service telephone boards or the Ground Transportation Counters as such terms are defined below.

INFORMATION FOR BIDDERS

- (b) Bidders authorized to provide For-Hire Service shall have their service offered to the public through Port Authority furnished passenger self service telephones installed at or near Ground Transportation Counters. Ground Transportation Counters, which are referred to as "Consolidated Limousine Information and Reservation Service Counters" in the Ground Transportation Agreement described below, are located in the arrivals area of each airline terminal building. Ground Transportation Center locations are noted on Exhibits IA, IB, and IC annexed hereto and hereby made a part hereof. The number and location of Ground Transportation Counters is subject to change as are locations of airlines within terminal buildings. The operation of such Ground Transportation Counters is subject to the continuing consent of the airport terminal operators. Ground Transportation Counters will be staffed during primary travel hours by Port Authority staff or personnel employed by a third party contractor selected by the Port Authority. Customers who request For-Hire Service at the Ground Transportation Counters shall be directed to the aforementioned self-service telephones and connected directly to the Providers dispatchers by the use of an abbreviated dialing sequence on "auto dial" telephones.
- (c) Expenses for calls placed through such telephones shall be borne by the For-Hire Service Provider. For-Hire Service Providers will be required to establish a toll-free "800" telephone number through which calls will be placed to their dispatch offices. For-Hire Services may not use the telephones for any purpose, including the offer of per head service to the public, other than to offer For-Hire Service as defined herein. The Port Authority may also use such telephones for calls by the public to other categories of ground transportation service (i.e., High Occupancy Coach Service, Privileged Share-Ride Service, etc.). A description of how other transportation services will be accommodated at the Airports is described in Exhibit II annexed hereto and hereby made a part hereof.
- (d) For-Hire Service Providers will not be allowed to use restricted Airport roadways and curb frontages nor will they be given special pick-up or parking privileges. For-Hire Service Providers will use public roadways and parking areas and be subject to fees required of the public for use of such facilities. In the event For-Hire Service Providers are allowed or required to use particular parking areas or other facilities at one or more Port Authority Airports, such For-Hire Service Providers will be required to use such parking areas or other facilities in the same manner and at the same fees applicable to other similar ground transportation providers operating to or from the Airports.
- (e) The Port Authority may (i) post notices on or adjacent to the self-service telephones and (ii) include notices on written material distributed to the public at the Ground Transportation Counters stating that the Port Authority makes no warranty or representation about the service provided by the For-Hire Service Providers and assumes no liability with respect thereto.

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- (f) In exchange for the privilege of being listed on passenger self-service telephones at the Ground Transportation Counters, bidders shall offer compensation to the Port Authority. Such compensation shall be offered to the Port Authority on the basis of an annual fixed amount to be stated in the Bid Sheet annexed hereto and hereby made a part hereof and will be payable to the Port Authority in four equal quarterly installments.
- (g) The effective period of the Port Authority Ground Transportation Agreement (the "Ground Transportation Agreement") applicable to For-Hire Service Providers will commence on the date contained in a notification from the Port Authority and expire on February 28, 2010, with two subsequent one-year extension periods solely at the option of the Port Authority. Such For-Hire Service Providers shall have no right of refusal with respect to any such options exercised by the Port Authority. Each successful For-Hire Service bidder is called a Permittee in the Ground Transportation Agreement. The Port Authority may select bidders offering the highest compensation payable over a one-year period to the Port Authority so that a total of four (4), five (5), or six (6) For-Hire Service Providers will operate at all three (3) Airports. The annual fee shall be divided by four to determine the quarterly fee.
- (h) For-Hire Service Providers are listed at the Ground Transportation Counters located within each airline terminal as indicated in Exhibits IA, IB and IC. The Port Authority issued awards in 2002 that ranged from \$17,000 to \$ 35,101 for service from Kennedy International and LaGuardia Airports and that ranged from \$15,600 to \$32,500 for service from Newark Liberty International Airport.
- (i) The Port Authority reserves the right in its sole discretion to modify, amend or supplement its ground transportation business arrangements as outlined in Exhibit II hereof before or after its execution of any Ground Transportation Agreement with one or more successful bidders hereunder. The Ground Transportation Agreement with each successful bidder shall provide that in the event of a significant change to the ground transportation business arrangements outlined in Exhibit II, the Port Authority shall notify the Permittee thereunder and the said Permittee shall have the right during the thirty (30) day period following such notice to notify the Port Authority on thirty (30) days prior written notice that it wishes to terminate the Agreement. with the effect of expiration. Without limiting the generality of the foregoing, in the event a successful bidder operates Privileged Shared-Ride Service as a Permittee under a Permit from the Port Authority and such Permit expires or is terminated or revoked by either the Port Authority or the Permittee, the Permittee shall have the right during the thirty (30) days following the giving of notice thereof to terminate its Ground Transportation Agreement, upon ten (10) days advance notice.

ARTICLE II. OPERATIONAL CONSIDERATIONS - REGULATORY REQUIREMENTS

- (a) Bidders should be aware that due to operational and other considerations, the Ground Transportation Agreement provides that the Port Authority shall have no liability with respect to roadway congestion at the Airports or the presence in the Airport terminals or

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elsewhere of persons not authorized by the Port Authority soliciting passengers for ground transportation. The Port Authority has a number of efforts underway to discourage such solicitation in the Airport terminals and is working with the airlines to combat such activity; however, bidders are strongly urged to observe the airport terminals and roadways prior to preparing any response to this invitation.

- (b) The Port Authority reserves the right to shop the services of the For-Hire Service Providers to ensure satisfactory standards of service are maintained.
- (c) Bidders must have or should obtain any necessary governmental regulatory authority and other authorizations to operate the For-Hire Service for each of its vehicles; the attached Ground Transportation Agreement does not constitute that authority. Such authority must remain in place throughout the effective period of any Ground Transportation Agreement with the Port Authority.

ARTICLE III. QUESTIONS CONCERNING FOR-HIRE SERVICE BIDS

Any questions by prospective bidders concerning this invitation may be addressed in writing to the buyer listed on the cover via fax or e-mail listed on the cover. All questions must be submitted no later than March 20, 2007. The Buyer is authorized only to direct the attention of prospective bidders to various portions of this invitation so they may read and interpret such for themselves. The Buyer may or may not respond to such individual questions. Except as noted below, no employee of the Port Authority is authorized to interpret any portion of this invitation nor give information as to its requirements in addition to those contained herein. Any changes in the provisions of this invitation will be by addendum to this invitation and will be communicated to prospective bidders in writing by the Director of the Port Authority's Procurement Department or her designee, and such writing shall form a part of this invitation. The Port Authority reserves the right not to issue an addendum.

ARTICLE IV. BID PROCEDURES

(a) Submission of Bids

- (i) Study and complete all papers carefully. **SUCCESSFUL BIDDERS WILL BE REQUIRED TO COMPLY WITH ALL TERMS AND PROVISIONS OF THE GROUND TRANSPORTATION AGREEMENT.**
- (ii) Do not unstaple or take apart booklet at any time.
- (iii) The bidder shall review carefully every provisions of this document, provide all the information required, and sign and return one entire copy to the Port Authority in accordance with the instructions on the Cover Sheet and those contained in the Information for Bidders. The Bidder should retain one complete duplicate copy for its own use. The Providers Bid Sheet(s) contained herein must be completed. The bid shall be sealed in the enclosed self-addressed envelope

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with the Bidder's name and address conspicuously marked. In submitting this bid, the Bidder offers to assume the obligations and liabilities imposed upon it herein and expressly makes the representations and warranties required in this document.

The bidder shall, as appropriate, based upon the airports on which the bidder wishes to bid, execute duplicate copies of the Ground Transportation Agreement covering (i) Kennedy International Airport and LaGuardia Airport (yellow in color), (ii) Newark Liberty International Airport (green in color), or (iii) both such agreements, including the execution of the Assurance of Irrevocability provided for separately in each Ground Transportation Agreement and the bidder shall return the same with the bid sheets in the above-described self-addressed envelope. Bidders may keep the third copy of this invitation for their records. Bidders may not condition a bid for either alternate (i) or (ii) above on the acceptance by the Port Authority of its bid for the other such alternate.

All Bids must be received by the Buyer on or before the due date and time specified on the cover page, at which time they will be publicly opened and read. Bids are only accepted Monday through Friday, excluding Port Authority holidays, between the hours of 8:00 a.m. and 5:00 p.m., via (1) regular mail, (2) express delivery.

(b) Acceptance or Rejection of Bids

- (i) **THE RETURN OF ONE COPY OF SUCH GROUND TRANSPORTATION AGREEMENT WITH THE PORT AUTHORITY'S ACCEPTANCE ENDORSED THEREON, IF THE PORT AUTHORITY CHOOSES TO ACCEPT ANY SUCH BID OR BIDS, WILL EFFECTUATE SUCH AGREEMENT.**

No other act of the Port Authority, its Commissioners, officers, agents or employees shall constitute acceptance of a bid. Such notice will state whether or not the Port Authority elects to require the bidder to furnish a security deposit which security deposit shall not exceed an amount equal to one-fourth of the annual fee offered by the bidder hereunder. Rejection of a bid will be only by either (a) a notice in writing specifically stating that the bid is rejected, signed by an authorized representative on behalf of the Port Authority and mailed to or delivered at the office designated in the bid or (b) the omission of the Port Authority to accept a bid within one hundred twenty (120) days following the date bids are due hereunder and no other act of the Port Authority, its Commissioner, officers, agents or employees shall constitute rejection of a bid, including any counter offer or other act of the Port Authority, its Commissioners, officers, agents or employees. Neither the Commissioners of the Port Authority nor any of them nor any officer, agent or employee thereof shall be charged personally by the bidder with any liability or held liable to it because of the submission or

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attempted submission of any bid or any terms or provision of the "Information For Bidders" or because of any breach thereof.

- (ii) In the event that on one or more occasions either the Port Authority shall revoke or the Permittee thereunder shall terminate one or more of the Ground Transportation Agreements theretofore in effect, the Port Authority in its sole discretion and without limiting its discretion to enter into a Ground Transportation Agreement or any other agreement with any other entity, may offer to accept a previously rejected bid for such term as is then stated by the Port Authority in a form of Ground Transportation Agreement to be tendered by the Port Authority to such bidder. The bidder would have the right but not the obligation, to accept the offer on the terms therein contained by executing and returning such Ground Transportation Agreement attached thereto to the Port Authority within the time stated therein.
- (iii) The Port Authority reserves the unqualified right, in its sole and absolute discretion, to reject all bids or to accept that bid or bids, if any, which in its judgment will under all the circumstances best serve the public interest and to waive defects in any bid. No rights accrue to any bidder unless and until its bid is accepted.

(c) Bidder's Prerequisites

Only bidders who can comply with the following should submit bids as only such bidders will be considered qualified:

- (i) The bidder or one or more of its principals shall have had at least three (3) years continuous experience immediately prior to the date of submission of its bid in the management and operation of a For-Hire Service which operated not less than ten vehicles at all times during that period. Such service shall have been conducted through a fixed base station with radio-dispatched vehicles in response to requests via telephone from customers for such service. As of the date of the submission of bids hereunder, the bidder must have at least ten (10) vehicles in service, either owned or under contract to provide service. Bidders must be able to present documentation to the Port Authority, demonstrating compliance with each of the above-described prerequisites, including any contracts to provide service, within 24 hours, if so requested.
- (ii) Vehicles used to provide service under a Ground Transportation Agreement with the Port Authority shall be no older than model year 2002.

(d) Bidder's Signature

Each copy of this booklet shall be signed by the bidder in the space provided and the bidder's address shall be filled in. If the bidder is a corporation, it shall be signed by an executive officer thereof, fully authorized so to do, the corporate seal shall be affixed, and a copy of the

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certificate of incorporation enclosed. If the bidder is a corporation not incorporated under the laws of the state where the For-Hire service is to be conducted, the bidder shall enclose a certificate from the Secretary of State of the state in which the Airport(s) are located evidencing the bidder's legal qualifications to do business in the said state. If the bidder is a partnership, the booklet shall be signed by each of the partners and on behalf of the partnership by one of the general partners.

(e) Bidder's Net Worth -Balance Sheet -Additional Information

The Port Authority may give oral or written notice to the Bidder to furnish the Port Authority with information and to meet with designated representatives of the Port Authority relating to its qualifications and ability to fulfill the Contractor's obligations hereunder. The requested information shall be submitted no later than three (3) days after said notice unless otherwise indicated. Matters upon which the Port Authority may inquire shall include, but not be limited to, the following:

(i) The Bidder may be required to demonstrate that it is financially capable of performing this Contract. The determination of the Bidder's financial qualifications will be made by the Port Authority in its sole discretion. The Bidder shall submit such financial and other relevant information as may be required by the Port Authority from time to time including, but not limited to, the following:

1. (i) Certified financial statements, including applicable notes, reflecting the Bidder's assets, liabilities, net worth, revenues, expenses, profit or loss and cash flow for the most recent calendar year or the Bidder's most recent fiscal year.
- (ii) Where the certified financial statements set forth in (i) above are not available, then either reviewed or compiled statements from an independent accountant setting forth the aforementioned information shall be provided.
- (iii) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (i) and (ii) above, then financial statements containing such information prepared directly by the Bidder may be submitted; such financial statements, however, must be accompanied by a signed copy of the Bidder's most recent Federal income tax return and a statement in writing from the Bidder, signed by an executive officer or his/her authorized designee, that such statements accurately reflect the present financial condition of the Bidder.

Where the statements submitted pursuant to subparagraph's (i), (ii) or (iii) aforementioned do not cover a period which includes a date not more than forty-five (45) days prior to the date on which the bids are opened, then the Bidder shall also submit a statement in writing, signed by an executive officer of the Bidder or

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his/her designee, that the present financial condition of the Bidder is at least as good as that shown on the statements submitted.

2. A statement of work which the Bidder has on hand, including any work on which a bid has been submitted, containing a description of the work, the annual dollar value, the location by city and state, the current percentage of completion, the expected date for completion, and the name of an individual most familiar with the Bidder's work on these jobs.
3. The name and address of the Bidder's banking institution, chief banking representative handling the Bidder's account, the Bidder's Federal Employer Identification Number (i.e., the number assigned to firms by the Federal Government for tax purposes), the Bidder's Dun and Bradstreet number, if any, the name of any other credit service to which the Bidder has furnished information, and the number, if any, assigned by such service to the Bidder's account.
4. Information relating to the Bidder's Prerequisites, if any, as set forth in this document.
5. If the Bidder is a corporation: (1) a copy of its certificate of incorporation and, if applicable, all amendments thereto with a written declaration signed by the Secretary of the corporation with the corporate seal affixed thereto, stating that the copy furnished is a true copy of the certificate of incorporation and any such amendments as of the date of the opening of the bid and (2) if the Bidder is not incorporated under the laws of the state in which the service is to be performed, a certificate from the Secretary of State of said state evidencing the Bidder's legal qualification to do business in that state.
6. A statement setting forth the names of those personnel to be in overall charge of the service and those who would be exclusively assigned to supervise the service and their specific roles therein, setting forth as to each the number of years of experience and in which functions and capacities each would serve.
7. Information to supplement any statement submitted in accordance with the Standard Contract Terms and Conditions entitled "Contractor's Integrity Provisions."
8. In the event that the Bidder's performance on a current or past Port Authority or PATH contract or contracts has been rated less than satisfactory, the Manager, Purchasing Services Division, may give oral or written notice to the Bidder to furnish information demonstrating to the satisfaction of such Manager that, notwithstanding such rating, such performance was in fact satisfactory or that the circumstances which gave rise to such unsatisfactory rating have changed or will not apply to performance of this Contract, and that such performance will be satisfactory.

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9. The Bidder recognizes that it may be required to demonstrate to the satisfaction of the Port Authority that it in fact can perform the services as called for in this Contract and that it may be required to substantiate the warranties and representations set forth herein and the statements and assurances it may be required to give.
 10. Neither the giving of any of the aforesaid notices to a Bidder, the submission of materials by a Bidder, any meeting which the Bidder may have with the Port Authority, nor anything stated by the Port Authority in any such meeting shall be construed or alleged to be construed as an acceptance of said Bidder's bid. Nothing stated in any such meeting shall be deemed to release any Bidder from its offer as contained in the bid.
 11. At any time after the opening of bids, the Port Authority may give oral or written notice to one or more bidders to furnish the Port Authority with information relating to its qualifications to perform work covered by the Ground Transportation Agreement. The giving of the aforesaid notice to a bidder shall not be construed as an acceptance of said bidder's bid.
- (f) Certification of No Investigation (Criminal or Civil Anti-Trust), Indictment Conviction Suspension, Debarment, Disqualification, Prequalification Denied or Termination, Etc.;
Disclosure of Other Required Information
- (i) By bidding on this Ground Transportation Agreement, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, that the bidder and each parent and/or affiliate of the bidder has not (A) been indicted or convicted in any jurisdiction; (B) been suspended, debarred, found not responsible or otherwise disqualified from entering into contracts with any governmental agency or been denied a government contract for failure to meet prequalification standards; (C) had a contract terminated by any governmental agency for breach of contract or for any cause related directly or indirectly to an indictment or conviction; (D) changed its name and/or Employer Identification Number (taxpayer identification number) following its having been indicted, convicted, suspended, debarred or otherwise disqualified, or had a contract terminated as more fully provided in (A), (B), and (C) above; (E) ever used a name, trade name or abbreviated name, or an Employer Identification Number different from those inserted in the Bid; (F) been denied a contract by any governmental agency for failure to provide the required security, including bid, payment or performance bonds or any alternative security deemed acceptable by the agency letting the contract; (G) failed to file any required tax returns or failed to pay any applicable federal, state or local taxes; (H) had a lien imposed upon its property based on taxes owed and fines and penalties assessed by any agency of the federal, state or local government; (I) been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigate agency; (J) had any sanctions imposed as a result of a judicial or administrative proceeding with respect to any professional license

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- held or with respect to any violation of federal, state, or local environmental law, rule or regulation; and (K) shared space, staff, or equipment with any business entity.
- (ii) The foregoing certification as to "(A)" through "(K)" shall be deemed to have been made by the bidder as follows: if the bidder is a corporation, such certification shall be deemed to have been made not only with respect to the bidder itself, but also with respect to each director and officer, as well as, to the best of the certifier's knowledge and belief, each stockholder with an ownership interest in excess of ten percent (10%); if the bidder is a partnership, such certification shall be deemed to have been made not only with respect to the bidder itself, but also with respect to each partner. Moreover, the foregoing certification, if made by a corporate bidder, shall be deemed to have been authorized by the Board of Directors of the bidder, and such authorization shall be deemed to include the signing and submission of the bid and the inclusion therein of such certification as the act and deed of the corporation.
- (iii) In any case where the bidder cannot make the foregoing certification, the bidder shall so state and shall furnish with the signed bid a signed statement, which sets forth in detail the reasons therefor. If the bidder is uncertain as to whether it can make the foregoing certification, it shall so indicate in a signed statement furnished with its bid, setting forth an explanation for its uncertainty.
- (iv) Notwithstanding that the certification may be an accurate representation of the bidder's status with respect to the enumerated circumstances provided for in this paragraph as requiring disclosure at the time that the bid is submitted, the bidder agrees to immediately notify the Port Authority in writing of any change in circumstances during the period of irrevocability, or any extension thereof.
- (v) The foregoing certification or signed statement shall be deemed to have been made by the bidder with full knowledge that it would become a part of the records of the Port Authority and that the Port Authority will rely on its truth and accuracy. In the event that the Port Authority determines at any time prior or subsequent to entering into the Ground Transportation Agreement that the bidder has falsely certified as to any material item in the foregoing certification; willfully or fraudulently submitted any signed statement pursuant to this clause which is false in any material respect; or has not completely and accurately represented its status with respect to the circumstances provided for in this clause as requiring disclosure, the Port Authority may determine that the bidder is not a responsible bidder with respect to its bid on the Ground Transportation Agreement or with respect to future bids and may, in addition to exercising any other rights or remedies available to it, exercise any of the rights or remedies set forth in the Ground Transportation Agreement respecting its revocation by the Port Authority. In addition, bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g., New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability

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to make such certification will not in and of itself disqualify a bidder, and that in each instance the Port Authority will evaluate the reasons therefor provided by the bidder.

- (vi) As used in this clause, the following terms shall mean:
- A. Affiliate -An entity in which the parent of the bidder owns more than fifty percent (50%) of the voting stock, or an entity in which a group of principal owners which owns more than fifty percent (50%) of the bidder also owns more than fifty percent (50%) of the voting stock.
 - B. Agency or Government Agency -Any federal, state, city or other local agency, including departments, offices, quasi-public agencies, public authorities and corporations, boards of education and higher education, public development corporations, local development corporations and others.
 - C. Employer Identification Number -The tax identification number assigned to firms by the Federal government for tax purposes.
 - D. Investigation -Any inquires made by any federal, state or local criminal prosecuting agency and any inquiries concerning civil anti-trust investigations made by any federal, state or local governmental agency. Except for inquiries concerning civil anti-trust investigations, the term does not include inquiries made by any civil government agency concerning compliance with any regulation, the nature of which does not carry criminal penalties, nor does it include any background investigations for employment, or Federal, state, and local inquiries into tax returns.
 - E. Officer -Any individual who serves as chief executive officer, chief financial officer, or chief operating officer of the bidder by whatever titles known.
 - F. Parent -An individual, partnership, joint venture or corporation, which owns more than fifty percent (50%) of the voting stock of the bidder.
 - G. Space Sharing -Space shall be considered to be shared when any part of the floor space utilized by the submitting business at any of its sites is also utilized on a regular or intermittent basis for any purpose by any other business or not-for-profit organization, and where there is no lease or sublease in effect between the submitting business and any other business or not-for-profit organization that is sharing space with the submitting business.
 - H. Staff Sharing -Staff shall be considered to be shared when any individual provides the services of an employee, whether paid or unpaid, to one or more other business(es) or not-for-profit organization(s). "The services of an employee" should be understood to include services of any type or level, including managerial or supervisory. This type of sharing may include, but is not limited to, individuals who provide the following services: telephone answering, receptionist, delivery, custodial, and driving.

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- I. Equipment Sharing -Equipment shall be considered to be shared whenever the bidder shares the ownership and/or the use of any equipment with any other business or not-for-profit organization. Such equipment may include, but is not limited to, telephones or telephone systems, photocopiers, computers, motor vehicles, and construction equipment. Equipment shall not be considered to be shared under the following two circumstances: when, although the equipment is owned by another business or not-for-profit organization, the bidder has entered into a formal lease for the use of the equipment and exercises exclusive use of the equipment; or when the bidder owns equipment that it has formally leased to another business or not-for-profit organization, and for the duration of such lease the bidder has relinquished all right to the use of such leased equipment.
- (g) Non-Collusive Bidding and Code of Ethics Certification of No Solicitation Based on Commission, Percentage, Brokerage, Contingent Fee or Other Fee
- (i) By bidding on this Ground Transportation Agreement, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, that: (A) the prices in its bid have been arrived at independently without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor; (B) the prices quoted in its bid have not been and will not be knowingly disclosed, directly or indirectly, by the bidder prior to the official opening of such bid to any other bidder or to any competitor; (C) no attempt has been made and none will be made by the bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition; (D) this organization has not made any offers or agreements or given or agreed to give anything of value (see definition of "anything of value" appearing in Special Endorsement No. 11 of the Ground Transportation Agreement) or taken any other action with respect to any Port Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics and Financial Disclosure dated as of July 18, 1994 (a copy of which is available upon request to the individual named in the clause hereof entitled "Questions Concerning For-Hire Service Bids"), nor does this organization have any knowledge of any act on the part of a Port Authority employee or former Port Authority employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code; and (E) no person or selling agency, other than a bona fide employee or bona fide established commercial or selling agency maintained by the bidder for the purpose of securing business, has been employed or retained by the bidder to solicit or secure this Ground Transportation Agreement on the understanding that a commission, percentage, brokerage, contingent or other fee would be paid to such person or selling agency.
 - (ii) The foregoing certification as to "(A)", "(B)", "(C)", "(D)", and "(E)" shall be deemed to have been made by the bidder as follows: if the bidder is a corporation, such certification shall be deemed to have been made not only with respect to the bidder

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itself, but also with respect to each parent, affiliate, director, and officer of the bidder, as well as, to the best of the certifier's knowledge and belief, each stockholder of the bidder with an ownership interest in excess of ten (10%); if the bidder is a partnership, such certification shall be deemed , to have been made not only with respect to the bidder itself, but also with respect to each partner. Moreover, the foregoing certification, if made by a corporate bidder, shall be deemed to have been authorized by the Board of Directors of the bidder, and such authorization shall be deemed to include the signing and submission of the bid and the inclusion therein of such certification as the act and deed of the corporation.

- (iii) In any case where the bidder cannot make the foregoing certification, the bidder shall so state and shall furnish with the signed bid a signed statement, which sets forth in detail the reasons therefor. If the bidder is uncertain as to whether it can make the foregoing certification, it shall so indicate in a signed statement furnished with its bid, setting forth in such statement the reasons for its uncertainty.
- (iv) Notwithstanding that the bidder may be able to make the foregoing certification at the time the bid is submitted, the bidder shall immediately notify the Port Authority in writing during the period of irrevocability of bids on either of the Ground Transportation Agreements or any extension of such period, of any change of circumstances which might under this clause make it unable to make the foregoing certification or required disclosure. The foregoing certification or signed statement shall be deemed to have been made by the bidder with full knowledge that it would become a part of the records of the Port Authority and that the Port Authority will rely on its truth and accuracy in awarding the Ground Transportation Agreements. In the event that the Port Authority should determine at any time prior or subsequent to the award of the Ground Transportation Agreements that the bidder has falsely certified as to any material item in the foregoing certification or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with respect to any item in the foregoing certification required to be disclosed, the Port Authority may, determine that the bidder is not a responsible bidder with respect to its bid on the Ground Transportation Agreements or with respect to future bids on Port Authority contracts and may, in addition to exercising any other rights or remedies it may have, exercise any of the rights or remedies set forth in the clause of the Ground Transportation Agreements respecting its revocation by the Port Authority.
- (v) In addition, bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g., New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability to make such certification will not in and of itself disqualify a bidder, and that in each instance the Port Authority will evaluate the reasons therefor provided by the bidder.

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(h) Bidder Eligibility For Award of Contracts -Determinations by an Agency of the State of New York or New Jersey Concerning Eligibility to Receive Public Contracts

- (i) Bidders are advised that the Port Authority has adopted a policy to the effect that in awarding its contracts it will honor any determination by an agency of the State of New York or New Jersey that a bidder is not eligible to bid on or be awarded public contracts because the bidder has been determined to have engaged in illegal or dishonest conduct or to have violated prevailing rate of wage legislation.
- (ii) The policy permits a bidder whose ineligibility has been so determined by an agency of the State of New York or New Jersey to submit a bid on a Port Authority contract and then to establish that it is eligible to be awarded the contract on which it has bid because (A) the state agency determination relied upon does not apply to the bidder, or (B) the state agency determination relied upon was made without affording the bidder the notice and hearing to which the bidder was entitled by the requirements of due process of law, (C) the state agency determination relied upon was not based on a finding of conduct demonstrating a lack of integrity or a violation of a prevailing rate of wage law.
- (iii) The full text of the resolution adopting the policy may be found in the Minutes of the Authority's Board of Commissioners meeting of September 9, 1993.

(i) Gifts, Gratuities, and Offers of Employment

- (i) During the term of any agreement to be entered into between the Port Authority and the successful bidder, the successful bidder shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority, or to a member of the immediate family (i.e., a spouse, child, parent, brother, sister) or any of the foregoing in connection with the performance by such employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority of duties involving transactions with the successful bidder on behalf of the Port Authority, whether or not such duties are related to any agreement to be entered into between the successful bidder and the Port Authority, or any other Port Authority lease, contract or matter. Any such conduct shall be deemed a material breach of any agreement to be entered into between the successful bidder and the Port Authority.
- (ii) As used herein "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by the agreement to be entered into between the successful bidder and the Port Authority, or any other Port Authority lease or contract), etc., which might tend to obligate the Port Authority employee to the successful bidder, (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by any

INFORMATION FOR BIDDERS

agreement to be entered into between the successful bidder and the Port Authority, or any other Port Authority lease or contract.

- (iii) In addition, during the term of any agreement to be entered into between the Port Authority and the successful bidder, the successful bidder shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated as of July 18, 1994 (a copy of which is available upon request of the Office of the Secretary of the Port Authority).
- (iv) The successful bidder shall include the provisions of this paragraph in each sublease, contract or subcontract entered into under and pursuant to the provisions of any agreement to be entered into between the Port Authority and the successful bidder.
- (v) By submitting a Bid in response to this Bid, each bidder certifies that it has not made any offers or agreements, or given or agreed to give, anything of value (as defined in this paragraph) or taken any other action with respect to any Port Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics and Financial Disclosure dated as of July 18, 1994.

(j) Entry of Charges

The price quoted shall be written in figures in ink where required, on the Bid Sheet attached hereto and made a part hereof.

(k) No Liability

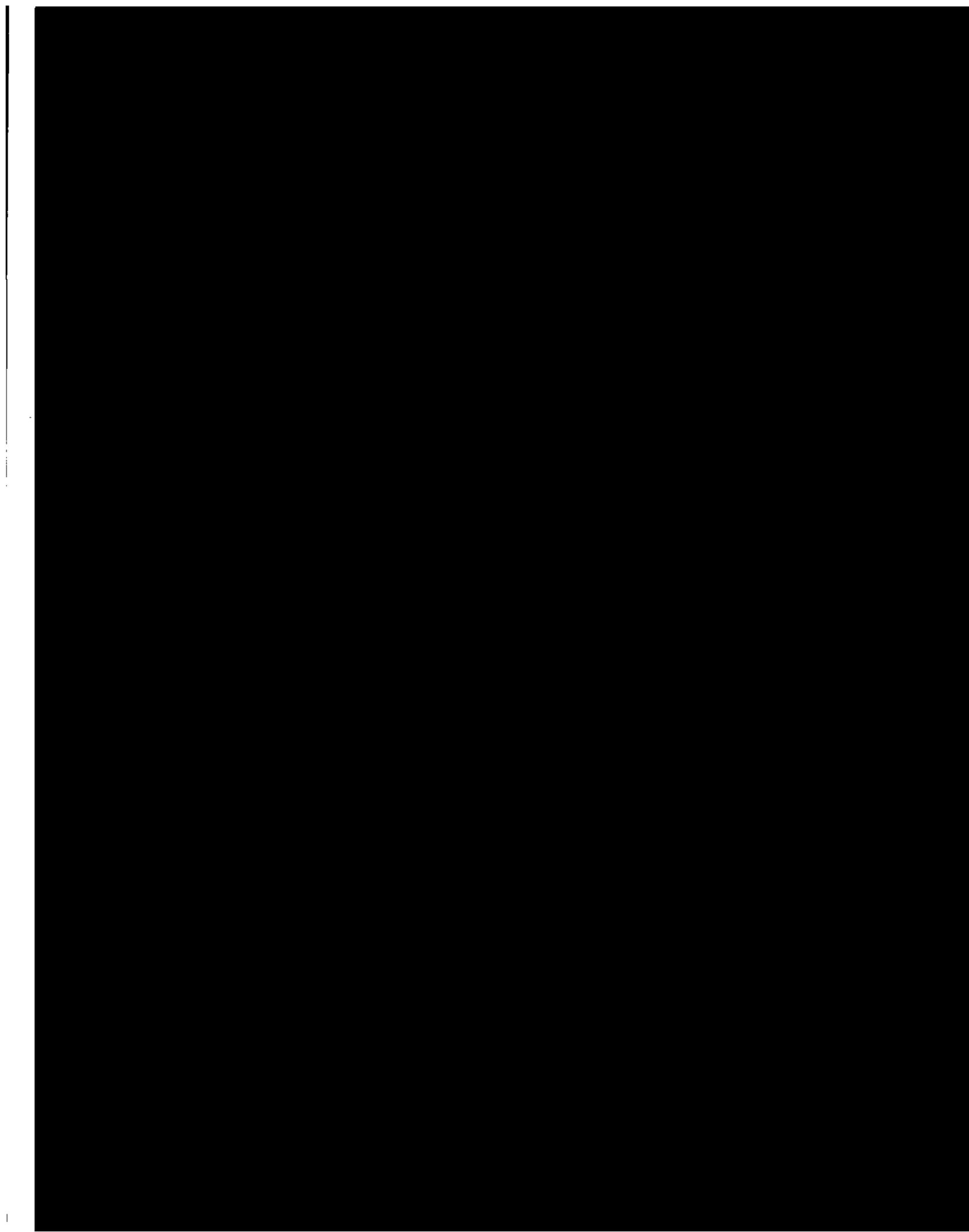
By submitting a Bid in regard to this Bid, the bidder agrees neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be charged personally by the Permittee with any liability in connection therewith, or held liable to it, under any term or provision of this agreement, or because of its execution, or because of any breach thereof.

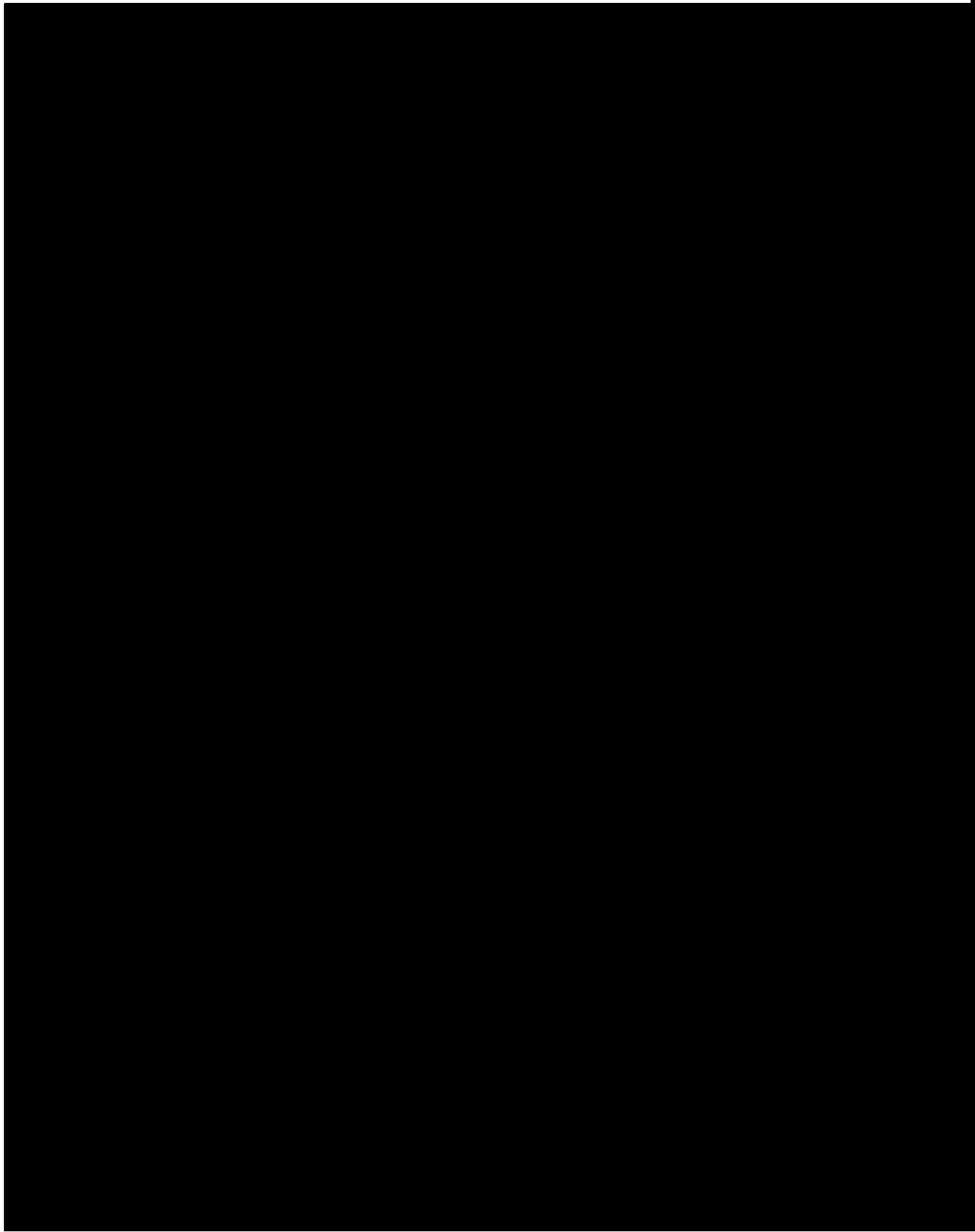
(l) Conflict of Interest

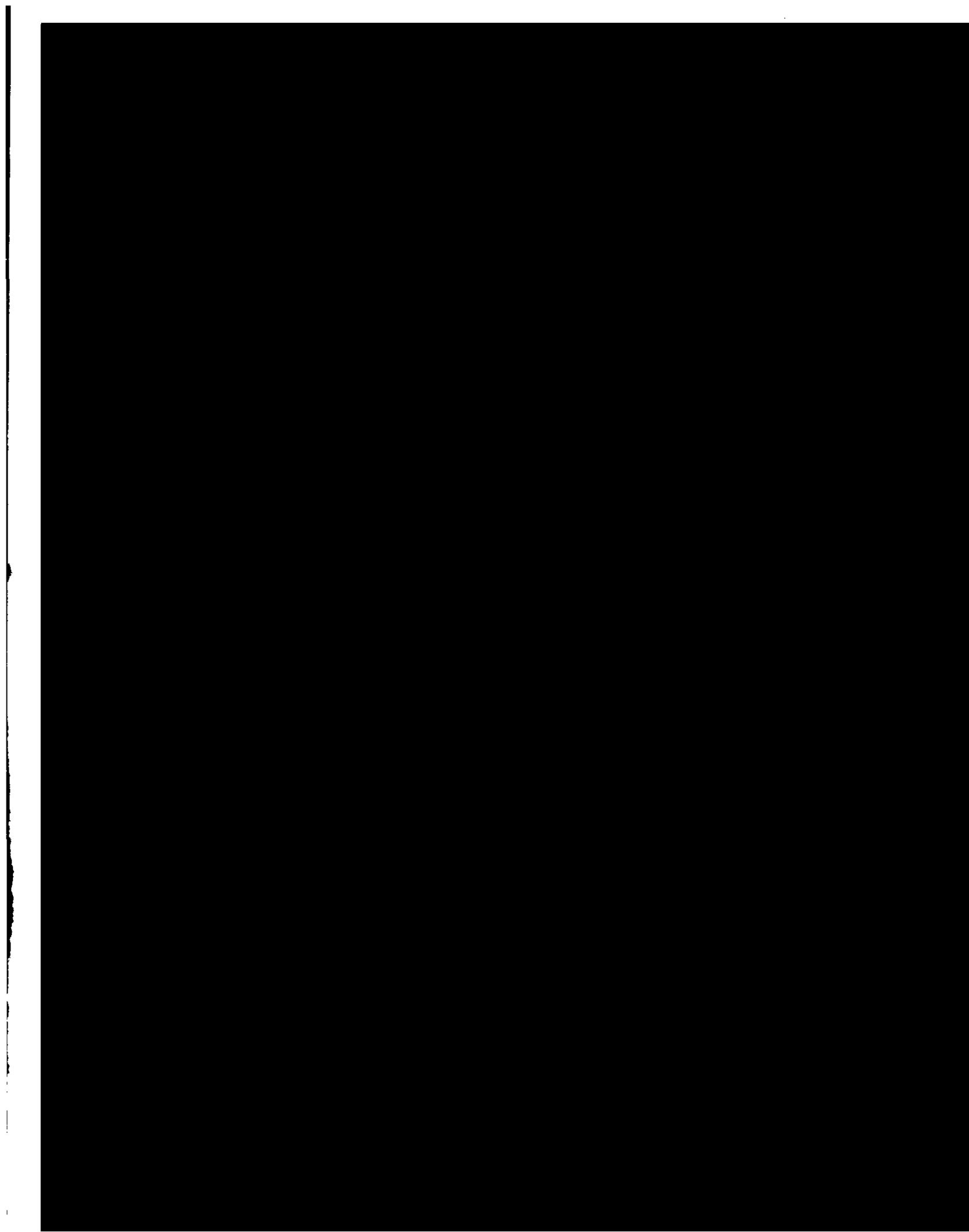
During the term of this contract, the Contractor shall not participate in any way in the preparation, negotiation or award of any contract (other than a contract for its own services to the Authority) to which it is contemplated the Port Authority may become a party, or participate in any way in the review or resolution of a claim in connection with such a contract if the Contractor has a substantial financial interest in the contractor or potential contractor of the Port Authority or if the Contractor has an arrangement for future employment or for any other business relationship with said contractor or potential contractor, nor shall the Contractor at any time take any other action which might be viewed

INFORMATION FOR BIDDERS

as or give the appearance of conflict of interest on its part. If the possibility of such an arrangement for future employment or for another business arrangement has been or is the subject of a previous or current discussion, or if the Contractor has reason to believe such an arrangement may be the subject of future discussion, or if the Contractor has any financial interest, substantial or not, in a contractor or potential contractor of the Authority, and the Contractor's participation in the preparation, negotiation or award of any contract with such a contractor is contemplated or if the Contractor has reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of interest, the Contractor shall immediately inform the Director of Procurement in writing of such situation giving the full details thereof. Unless the Contractor receives the specific written approval of the Director of Procurement, the Contractor shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. In the event the Director of Procurement shall determine that the performance by the Contractor of a portion of its services under this Agreement is precluded by the provisions of this numbered paragraph, or a portion of the Contractor's said services is determined by the Director of Procurement to be no longer appropriate because of such preclusion, then the Director of Procurement shall have full authority on behalf of both parties to order that such portion of the Contractor's services not be performed by the Contractor, reserving the right, however, to have the services performed by others and any lump sum compensation payable hereunder which is applicable to the deleted work shall be equitably adjusted by the parties. The Contractor's execution of this document shall constitute a representation by the Contractor that at the time of such execution the Contractor knows of no circumstances, present or anticipated, which come within the provisions of this paragraph or which might otherwise be viewed as or give the appearance of a conflict of interest on the Contractor's part. The Contractor acknowledges that the Authority may preclude it from involvement in certain disposition/privatization initiatives or transactions that result from the findings of its evaluations hereunder or from participation in any contract which results, directly or indirectly, from the services provided by the Contractor hereunder.







OTHER TRANSPORTATION SERVICES

In addition to the For-Hire Service available through self-service telephones, which is the subject of this invitation, the Port Authority will dispense information and/or make reservations for a wide array of ground transportation services through the Ground Transportation Counters and self-service telephones, including but not limited to, shared ride bus and van operators, taxis and public transportation. Inasmuch as the Port Authority is interested in increasing the use of high occupancy vehicles by passengers using the Airports, the primary function of the Ground Transportation Counters is to represent and foster use of high occupancy vehicle services. These services may or may not pay fees to the Port Authority.

- (a) Privileged Shared-Ride Services are those companies previously selected through a Request For Bids process to provide a ground transportation service operated in seven passenger vehicles or larger, including the driver, including both fixed route scheduled service and/or multiple stop "door-to-door" service. Those authorized to provide Privileged Shared-Ride Service ("Privileged Shared-Ride Providers") will be represented at Ground Transportation Counters located in each airline terminal building and offered preferential locations for curbside passenger pickup. Representation of Privileged Shared-Ride Service during primary travel hours shall be through Port Authority staff or a third party contractor selected by the Port Authority and at other times through Port Authority furnished self-service telephones connected to the provider's dispatchers. **SUCH SERVICE IS NOT THE SUBJECT OF THIS INVITATION.**
- (b) The term "High Volume Scheduled Coach Service" shall mean any service which is so classified by the Port Authority. As of December 1, 1998, High Volume Scheduled Coach Service is a ground transportation service operated between points which carries at least thirty thousand (30,000) passengers per month to and from the Airport with at least eighty-five percent (85%) (or other percentage as may in the future be specified by the Port Authority) of the passengers being transported in coaches having twenty-five (25) or more seats, including the driver although in-vehicle luggage racks may be substituted for some small number of seats, the operator of which does not operate any other service to and from the Airports. A High Volume Scheduled Coach Provider may offer service that competes with one or more Privileged Shared-Ride Providers and may represent its service in the Airport terminals at or adjacent to the Ground Transportation Counters or be represented by the Port Authority or its contractor at the Ground Transportation Counters in a similar manner to the representation provided to Privileged Shared-Ride Providers. **SUCH SERVICE IS NOT THE SUBJECT OF THIS INVITATION.**
- (c) Incidental scheduled coach service ("Incidental Scheduled Coach Service") is any service operated on a scheduled basis exclusively in coaches having twenty-five or more seats serving a metropolitan area at least fifty (50) miles from the Airport, which makes a stop at the Airport, and which stop is incidental to stops at other major transportation facilities such as the Port Authority Bus Terminal in midtown Manhattan. Incidental Scheduled Coach Service will have such service represented at the Ground Transportation Counters. **SUCH SERVICE IS NOT THE SUBJECT OF THIS INVITATION.**

Exhibit II

- (d) Commercial ground transportation operators using vehicles carrying six or fewer passengers including the driver ("For-Hire Service Providers") will be allowed to provide transportation to their prearranged passengers, but will not otherwise be permitted to solicit business at the Airport except as noted below. They will be allowed to actively load passengers at curb frontage areas open for use by the general public. At other times they must be parked in Airport parking lots or at other authorized locations. For the convenience of passengers who wish For-Hire Service but do not have previous arrangements, several phone-board slots will be available to the providers offering the highest compensation to the Port Authority. **SUCH SLOTS ARE THE SUBJECT OF THIS INVITATION**
- (e) All other Shared-Ride Providers, including transportation operators not selected to be Privileged Shared-Ride Providers, shall be classified as Non-Privileged Shared-Ride Providers. These providers will be allowed to transport their passengers to and from the Airport, and will have use of secondary locations to actively load passengers. The Port Authority reserves the right to impose a mandatory annual fee on such providers. In the event that a passenger is seeking service other than that offered by a Privilege Shared-Ride Provider, a list of Non-Privileged Shared-Ride Providers may be distributed at the Ground Transportation Counters and the passengers will be free to arrange transportation using public telephones. **SUCH SERVICE IS NOT THE SUBJECT OF THIS INVITATION.**
- (f) Waterborne and Airborne Transportation Providers such as ferries and helicopters will be allowed to transport their passengers to and from the Airports. Passengers may obtain such service via shuttle vans or buses operated by either the Waterborne or Airborne Transportation provider or its contractor(s) or the Port Authority or its contractor(s). Information about such providers may be made available through the Ground Transportation Counters. The Port Authority may also enter into an arrangement(s) with a provider(s) of Waterborne Transportation that may include subsidization of such a provider(s). **SUCH SERVICE IS NOT THE SUBJECT OF THIS INVITATION.**
- (g) "Public Transportation Alternative Service" includes local scheduled public bus service, subway, Amtrak, commuter railroad service, Newark Airtrain, JFK AirTrain, and taxi service. Ground Transportation Counter personnel may give schedule and fare information regarding such services.

Exhibit III

ANNUAL PASSENGER ENPLANEMENTS

	<u>JFK</u>	<u>EWR</u>	<u>LGA</u>
1993	26,796,849	25,809,414	19,804,566
1994	28,819,369	28,018,984	20,730,467
1995	30,377,579	26,626,231	20,599,394
1996	31,155,496	29,117,464	20,699,136
1997	31,357,431	30,945,857	21,607,448
1998	31,059,095	32,575,874	22,811,935
1999	31,708,431	33,622,686	23,926,923
2000	32,827,864	34,188,701	25,260,034
2001	29,350,052	31,100,491	22,519,874
2002	29,939,212	29,220,775	21,986,679
2003	31,732,446	29,428,899	22,482,770
2004	37,517,496	31,908,556	24,435,619
2005	40,884,350	33,037,754	25,878,601

2001 ESTIMATED

Each bidder understands and agrees that the foregoing is provided for informational purposes only and that the Authority is not making any representations regarding the market for For-Hire services during the term of this permit. The furnishing of this information by the Authority shall not create or be deemed to create any liability upon the Authority for any reason whatsoever, and by submitting the proposal each Bidder expressly agrees that it has not relied upon the foregoing information and that it shall not hold the Authority liable or responsible therefor.

JOHN F. KENNEDY INTERNATIONAL AIRPORT

AND

LAGUARDIA AIRPORT

FOR-HIRE SERVICE

PROVIDERS BID SHEET

In consideration for the privilege of offering a For-Hire Service at John F. Kennedy International and LaGuardia Airports through self-service telephones, the For-Hire Service Provider shall pay an annual flat fee to the Port Authority of:

Amount in words: TWENTY THREE THOUSAND AND EIGHT HUNDRED Dollars

Amount in figures: \$ 23,800.00

(In the event of any inconsistency between the amount stated in words and the amount stated in figures, the amount stated in words will be controlling. Bids based on a percentage of gross receipts or formulas that vary the amount bid based on the amount of work performed will result in the disqualification of the bid.)

IF THE BIDDER SUBMITS A BID FOR FOR-HIRE SERVICE AT JOHN F. KENNEDY INTERNATIONAL AND LAGUARDIA AIRPORTS, THE BIDDER MUST EXECUTE THE ATTACHED GROUND TRANSPORTATION AGREEMENT INCLUDING THE SEPARATE EXECUTION OF THE ASSURANCE OF IRREVOCABILITY CONTAINED THEREIN COVERING SUCH AIRPORT.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

GROUND TRANSPORTATION AGREEMENT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at the Port Authority Facilities hereinafter named, in accordance with the Terms and Conditions hereof and the endorsements annexed hereto; and the Permittee agrees to pay the fee specified in the Bid Sheet annexed hereto and hereby made a part hereof and to perform all other obligations imposed upon it in the said Terms and Conditions:

- 1. FACILITIES: John F. Kennedy International and LaGuardia Airports
2. PRIVILEGE: As set forth in Special Endorsement No.1
3. ENDORSEMENTS: 2.2, 2.8, 3.1, 8.0, 9.1, 9.5, 9.6, 10.1, 12.1, 14.1, 16.1, 17.1, 18.1, 19.1, 19.2, 23.1, 28 AND SPECIALS
4. FEE: As set forth in the Bid Sheet
5. EFFECTIVE DATE: Seven (7) days after the date of execution of this Agreement by the Port
6. EXPIRATION DATE: February 28, 2010 unless sooner revoked or terminated as provided in Section 1 of the following terms and conditions

Bid Submitted By: GOLDEN TOUCH
PERMITTEE: TRANSPORTATION OF NY, INC
(Name of Firm)
By: Thomas Neunoff (CEO)
(Signature of Authorized Officer)
PRESIDENT AND CEO
(Title of Authorized Officer)
Date: JUNE 18, 2007

Bid Accepted By:
THE PORT AUTHORITY OF NY & NJ
By: [Signature]
Title: Asst Director, CCC#HS
Date: 4/22/08

PERMITTEE'S ADDRESS AND STATE OF INCORPORATION

109-15 14th AVENUE
(Address Line)

(Area Code) 718 (Phone No.) 886-5204

COLLEGE POINT, NEW YORK 11356
(Address Line 2)

(Attach copy of Certificate of Incorporation)

NEW YORK
(State of Incorporation)

CORPORATE SEAL

NOTICE TO BIDDERS - ASSURANCE OF IRREVOCABILITY

Unless the assurance of irrevocability appearing on the next page is signed, the bid submitted herein shall not be deemed to be complete.

The foregoing signature shall be deemed to have been provided with full knowledge that this Ground Transportation Agreement, the accompanying booklet, as well as any certification, statement, assurance, representation, warranty, schedule or other document submitted by the bidder with its bid, collectively the "bidders submission," will become a part of the records of the Port Authority and that the Port Authority will rely in awarding this Ground Transportation Agreement on the truth and accuracy of the bidder's submission. Knowingly submitting a false statement in connection with any of the foregoing may be the basis for prosecution for offering a false instrument for filing (see e.g., N.Y. Penal Law, Section 175.30 et seq.).

ASSURANCE OF IRREVOCABILITY

Unless the following assurance of irrevocability is signed, the bid submitted herein shall not be deemed to be complete. The foregoing offer shall be irrevocable for one hundred twenty (120) days after the date on which the Port Authority opens such bid.

PERMITTEE: GOLDEN TOUCH TRANSPORTATION OF NY, INC.
(Name of Firm)

By: Thomas Nersisyan (Signature)
(Signature of Authorized Officer)

PRESIDENT and CEO
(Title of Authorized Officer)

Date: 6/18/07

TERMS AND CONDITIONS

1. The permission granted by this Agreement shall take effect upon the date contained in a notification from the Port Authority and expire on February 28, 2010, with two subsequent one-year extension periods solely at the option of the Port Authority by giving written notice to the Permittee on or before the Expiration Date of this Agreement. The Permittee shall have no right of refusal with respect to any such options exercised by the Port Authority. Notwithstanding any other term or condition hereof, this Agreement may be revoked without cause, upon ten (10) days' written notice, by the Port Authority provided, however, that it may be revoked on twenty-four (24) hours' notice if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Agreement, including, but not limited to, the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation or termination shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

2. The rights granted hereby shall be exercised:
 - (a) If the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,
 - (b) If the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,
 - (c) If the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees, or
 - (d) If the Permittee is an individual, by the Permittee acting only personally or through the medium of his employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other person, corporation or legal entity. Except as provided below, the Permittee shall not assign or transfer this Agreement or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor except as provided below. In the event of the issuance of this Agreement to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

TERMS AND CONDITIONS

3. This Agreement does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.
4. The operations of the Permittee, its drivers and other employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airports. The Permittee shall provide and its employees shall wear identification badges containing a recent photograph of said employee and employees shall wear appropriate uniforms or be neatly dressed in appropriate business attire. The means of identification and uniforms shall be subject to the written approval of the Manager of the Airport. The Permittee shall conduct its business operations with the objective of providing courteous service to the public generally in the manner set forth in Exhibit IV the Aviation Department's Airports Standards Manual annexed hereto and hereby made a part hereof. The Port Authority shall have the right to object to the Permittee regarding the demeanor, conduct and appearance of the Permittee's drivers and other employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to immediately remove the cause of the objection.
5.
 - (a) In the use of the parkways, roads, streets, bridges, corridors, hallways, stairs and other common areas of any Airport as a means of ingress and egress to, from and about such Airport, and also in the use of portions of such Airport to which the general public is admitted, the Permittee shall conform (and shall require its employees, invitees and others doing business with it to conform) to the Rules and Regulations of the Port Authority which are now in effect or which may hereafter be adopted for the safe and efficient operation of such Airport.
 - (b) The Permittee, its drivers and other employees, invitees and others doing business with it shall have no right hereunder to park vehicles within an Airport beyond a reasonable loading or discharging time, except in regular parking areas and upon payment of the regular charges therefor. The Permittee is not granted use of restricted roadways or curb frontage.
6.
 - (a) The Permittee assumes the following risks, whether such risks arise from acts or omissions (negligent or not) of the Permittee, the Port Authority or third persons or from any other cause, excepting only risks occasioned solely by affirmative willful acts of the Port Authority and shall indemnify the Port Authority for all loss or damage incurred in connection with such risks including claims and demands of the City of New York against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City:
 - (i) The risk of any and all loss or damage of Port Authority property, equipment (including but not limited to automotive and/or mobile

TERMS AND CONDITIONS

equipment), materials and possessions at the Airports hereunder or otherwise, the loss or damage of which shall arise out of the Permittee's operations hereunder.

- (ii) The risk of any and all loss or damage of the Permittee's property, equipment (including but not limited to automotive and/or mobile equipment) materials and possessions at the Airports hereunder or otherwise.
 - (iii) The risk of claims, whether made against the Permittee or the Port Authority, for any and all loss or damages occurring to any property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions of the Permittee's agents, employees, independent contractor drivers and others performing work hereunder.
 - (iv) The risk of claims for injuries, damage or loss of any kind just or unjust, of third persons arising or alleged to arise out of the performance of services hereunder, whether such claims are made against the Permittee or the Port Authority.
 - (v) If so directed, the Permittee shall at its own expense defend any suit based upon any such claim or demand, even if such suit, claim or demand is groundless, false or fraudulent, and in handling such 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 provision of any statutes respecting suits against the Port Authority.
- (b) The Port Authority may (i) post notices on or adjacent to the self-service telephones and (ii) include notices on written material distributed to the public at the Ground Transportation Centers, stating that the Port Authority makes no warranty or representation about the ground transportation service provided by the For-Hire Service Providers (as such terms are defined below) and assumes no liability with respect thereto.
7. The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations hereunder. The Permittee shall not install any fixtures or make any alterations or improvements in or additions or repairs to any property of the Port Authority except with its prior written approval.
8. The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Agreement. Without

TERMS AND CONDITIONS

in any wise limiting its obligations under Section 6 hereof the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Agreement.

9. The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on any Airport or to be placed or brought on any Airport, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.
10. (a) No signs, posters or similar devices shall be erected, displayed or maintained by the Permittee in view of the general public without the written approval of the Manager of the Airport affected; and any not approved by him may be removed by the Port Authority at the expense of the Permittee.

(b) Permittees' drivers and any other employees shall not loiter at or near any Ground Transportation Counter or self-service telephone.

(c) The Permittee shall not assign or place any driver, employee, representative, customer service agent or other such person at the Airports or in any terminal buildings thereat on a regular or occasional basis for any purpose whatsoever.
11. The Permittee's representative hereinbefore specified (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Agreement and to do any act or thing to be done hereunder, and to execute on behalf of the Permittee any amendments or supplements to this Agreement or any extension thereof, and to give and receive notices hereunder.
12. As used herein:
 - (a) The terms "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Agreement; but until further notice from the Port Authority to the Permittee, it shall mean the Executive Director of the Port Authority for the time being, or his duly designated representative or representatives.

TERMS AND CONDITIONS

- (b) Whenever the terms "General Manager of the Airport" is used herein it shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the General Manager of LaGuardia Airport and the General Manager of John F. Kennedy International Airport.
13. A bill or statement may be rendered and any notice or communication which the Port Authority may desire to give the Permittee shall be deemed sufficiently rendered or given, if the same is in writing and sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the address that the Permittee may have most recently substituted therefor by notice to the Port Authority, or left at such address, or delivered to the representative of the Permittee, and the time of rendition of such bill or statement and of the giving of such notice or communication shall be deemed to be the time when the same is mailed, left or delivered as herein provided. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, NY 10003, or at such other address as the Port Authority shall hereafter designate by notice to the Permittee.
14. The Permittee agrees to be bound by and comply with the provisions of all endorsements annexed to this Agreement at the time of issuance.
15. This Agreement and the attached endorsements and exhibits, including the attached Information For Bidders and the Bid Sheet constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof and may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein. In the event of any inconsistency between this Agreement and the attached endorsements and exhibits and such Information For Bidders and the Bid Sheet, this Agreement and the attached endorsements and exhibits shall be deemed controlling.
16. This Agreement by the Port Authority with the Permittee shall not be construed as an endorsement by the Port Authority of the Permittee's service. The Permittee shall not reference the Port Authority or this Agreement in the promotion or sale of its services.

The quarterly fee hereunder shall be due and payable on the effective date hereof prorated on the basis of there being ninety-one (91) days in a calendar quarter and on the first day of each calendar quarter thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar quarter, the Port Authority shall pay or credit to the Permittee the prorated portion of the quarterly fee on the basis of there being ninety-one (91) days in a calendar quarter.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P. O. BOX 95000-1517
PHILADELPHIA, PA 19195-1517

Or via the following wire transfer instructions:

Bank: Commerce Bank
Bank ABA Number: 026013673
Account Number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

ENDORSEMENT NO. 2.2
FEE PAYMENT

In connection with the exercise of the privilege granted hereunder, the Permittee shall:

- (a) Use its best efforts in every proper manner to develop and increase the business conducted by it hereunder;
- (b) Not divert or cause or allow to be diverted, any business from the Airport;
- (c) Maintain, in accordance with accepted accounting practice, during the effective period of this Agreement and for one (1) year after the expiration or earlier revocation or termination thereof, and for a further period extending until the Permittee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions of the Permittee at, through, or in anywise connected with the Airport which records and books of account shall be kept at all times within the Port of New York District;
- (d) Permit in ordinary business hours during the effective period of this Agreement, for one year thereafter, and during such further period as is mentioned in the preceding subdivision (c), the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Permittee, or which owns or controls the Permittee, if said company performs services, similar to those performed by the Permittee, anywhere in the Port of New York District;

ENDORSEMENT NO. 2.8

BUSINESS DEVELOPMENT AND RECORD

- (a) A principal purpose of the Port Authority in granting the permission under this Agreement is to have available for passengers, travelers and other users of the Airport hereunder, all other members of the public, and persons employed at the Airport hereunder, the merchandise and/or services which the Permittee is permitted to sell and/or render hereunder, all for the better accommodations, convenience and welfare of such individuals and in fulfillment of the Port Authority's obligation to operate facilities for the use and benefit of the public.

- (b) The Permittee agrees that it will conduct a first class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish all services hereunder on a fair, equal and non-discriminatory basis to all users thereof.

ENDORSEMENT NO. 3.1

ACCOMMODATION OF THE PUBLIC

If the Permittee should fail to pay any amount required under this Agreement when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Endorsement with respect to such unpaid amount. Nothing in this Endorsement is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (a) any rights of the Port Authority under this Agreement including without limitation the Port Authority's rights set forth in Section I of the Terms and Conditions of this Agreement or (b) any obligations of the Permittee under this Agreement. In the event that any late charge imposed pursuant to this Endorsement shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Agreement shall be payable instead of such legal maximum.

ENDORSEMENT NO. 8.0

LATE CHARGES

The Permittee shall

- (a)
 - (i) Furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;
 - (ii) Furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and
 - (iii) Charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- (b) As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).
- (c) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airport and Airways Development Act of 1970, as the same has been amended and supplemented, and under prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities of its contractors, lessees and permittees thereon. The performance by the Permittee of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the issuance of this Agreement by the Port Authority, and the Permittee further agrees that if the Administrator of

the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Agreement the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

ENDORSEMENT NO. 9.1
FEDERAL AIRPORT AID

- (a) Without limiting the generality of any of the provisions of this Agreement, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (i) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the exercise of any privileges under this Agreement (ii) that the Permittee shall exercise any privileges under this Agreement in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.
- (b) The Permittee shall include the provisions of paragraph (a) of this Endorsement in every agreement or concession it may make pursuant to which any person or persons, other than the Permittee, operates any facility at the Airport providing services to the public and shall also include therein a provision granting the Port Authority a right to take such action as the United States may direct to enforce such provisions.
- (c) The Permittee's noncompliance with the provisions of this Endorsement shall constitute a material breach of this Agreement. In the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24)

hours' notice, may revoke this Agreement and the permission hereunder; or may I pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

- (d) The Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third persons including the United States of America resulting from the Permittee's noncompliance with any of the provisions of this Endorsement and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.
- (e) Nothing contained in this Endorsement shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Agreement or to make any agreement or concession of the type mentioned in paragraph (b) hereof.

**ENDORSEMENT NO. 9.5
NON-DISCRIMINATION**

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

ENDORSEMENT NO. 9.6 AIRPORTS

AFFIRMATIVE ACTION

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

ENDORSEMENT NO. 10.1

GARBAGE

- (a) The Permittee shall refrain from entering into continuing contracts or arrangements with third parties for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

- (b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or nonbinding, with any other person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

ENDORSEMENT NO. 12.1
CAPACITY & COMPETITION

Except as specifically provided herein to the contrary, the Permittee shall not, by virtue of the issue and acceptance of this Agreement, be released or discharged from any liabilities or obligations whatsoever under any other Port Authority permits or agreements including but not limited to any permits to make alterations.

ENDORSEMENT NO. 14.1
DUTIES UNDER OTHER AGREEMENTS

The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further reasonable rules and regulations which may from time to time during the effective period of this Agreement, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport.

ENDORSEMENT NO. 16.1
RULES & REGULATIONS COMPLIANCE

- (a) The Permittee shall procure and keep current all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat. The Permittee shall immediately furnish to the Port Authority all such licenses, certificates or other authorization if so requested.
- (b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.
- (c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.
- (d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

ENDORSEMENT NO. 17.1
LAW COMPLIANCE

- (a) Notwithstanding any other provision of this Agreement, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of John F. Kennedy International Airport from the City of New York to the Port Authority under the agreement between the City and the Port Authority dated April 17, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated April 17, 1947 has been recorded in the Office of the Register of Deeds for The County of Queens on May 22, 1947 in Liber 5402 of Conveyances, at pages 319, et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.
- (b) "John F. Kennedy International Airport " or "Airport" shall mean the land and premises in the City of New York, in the County of Queens and State of New York, which are shown in green upon the exhibit attached to the said Agreement between the City and the Port Authority and marked "Map I," and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.
- (c) The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the city and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Agreement, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

ENDORSEMENT NO. 19.2
JOHN F. KENNEDY INTERNATIONAL AIRPORT

The Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of this Agreement, a sum equal to **twenty-five percent (25%) of the annual flat fee stated on the Permittee's Bid Sheet** upon the execution of this Agreement by the Port Authority either in a certified check, 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 having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this 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 Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority, the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so

as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Agreement, and upon condition that the Permittee shall then be in no wise in default under any part of this Agreement, and upon written request therefor by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

If any type of strike or other labor activity is directed against the Permittee at the Airport or against any operations pursuant to this Agreement resulting in picketing or boycott for any period which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Airport or the operations of other permittees, lessees or licensees thereat, whether or not the same is due to the fault of the Permittee, and whether caused by the employees of the Permittee or by others, the Port Authority may at any time during the continuance thereof, by twenty-four (24) hours notice, revoke this Agreement effective at the time specified in the notice. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

ENDORSEMENT NO. 28
DISTURBANCES

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the nonexclusive privilege of using the routes, roads and ways of the Facilities as may from time to time be designated by the Port Authority for the purpose of conducting the Permittee's business at the Facilities as described in paragraphs (b) and (c) hereof.
- (b) (i) The Permittee is hereby granted the nonexclusive privilege to provide, and the Permittee hereby agrees to conduct the business of providing, a ground transportation service by chauffeured motor vehicle for all persons (and their baggage) desiring transportation by the Permittee to and from LaGuardia Airport and John F. Kennedy International Airport on the one hand, and all points in the New York and New Jersey metropolitan area on the other hand.
- (ii) The foregoing ground transportation service set forth in this paragraph (b), being sometimes herein called the "For-Hire Service" shall be provided on the basis of a per vehicle charge based on time, mileage or destination and be provided at a minimum every day to any and all passengers who request such service during the hours from 7:00 A.M. to 12:00 midnight, seven days a week as well as at all other times flights arrive. The Permittee shall give to the Port Authority such written information with respect to the schedules, fares or other aspects of the For-Hire Service as the Port Authority may from time to time and at any time request, within five business days of such request. In addition, the Permittee shall advise the Port Authority of any addition, deletion or other change to the above information at least five days prior to the effective date of such addition, deletion or change.
- (c) (i) It is hereby expressly understood and agreed that the privilege granted under this Agreement to provide the For-Hire Service shall not include providing said service to a customer who is an Aircraft Operator and the Permittee hereby expressly agrees that it shall not provide the For-Hire Service to an Aircraft Operator, unless the Permittee has a separate permit agreement or agreements issued by the Port Authority authorizing such a service, which is called an "airline vehicular transportation service" in such permit agreements when the service is offered to employees of an Aircraft Operator and which is called either an "airline vehicular transportation service" or an "airline arranged limousine transportation service" in such permit agreements when the service is offered to passengers of an Aircraft Operator and in such event the Permittee shall not indirectly or directly utilize its personnel (except as specifically authorized by the Port Authority) or facilities at the Airports to carry on or conduct any business operation or service at the Airports other than as specifically set forth herein.

SPECIAL ENDORSEMENTS

- (ii) The term "Aircraft Operator" as used in this Agreement shall mean (A) a person owning one or more aircraft which are not leased or chartered to any other person for operation, and (B) a person owning one or more aircraft which are leased or chartered for operation, whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. Said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a person to whom it is chartered.
 - (iii) It is further understood and agreed that, notwithstanding the definition of the For-Hire Service as hereinbefore set forth, the Permittee shall not provide said service to and from points within the Central Terminal Area of the Airports (said Central Terminal Area being the areas where the airline passenger terminal facilities are located).
 - (d) The Permittee shall not solicit business on the public areas of the Airports. The use of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited.
2. Should the Permittee desire to operate all or a portion of the For-Hire Service hereunder by means of independent contractor arrangements whereby the driver of each vehicle used in performing the for hire service (hereinafter called the "independent contractor service") shall conduct the same on behalf of the Permittee under a form of written agreement (such agreements being hereinafter called the "independent contractor agreements") entered into between the Permittee and each such driver (such drivers being hereinafter called the "independent contractor drivers"). The Port Authority has no objection to the use of the independent contractor drivers to conduct the independent contractor service, as aforesaid, notwithstanding any provision of Endorsement No. 12.1 which may conflict or be inconsistent herewith, provided that:
- (a) The Permittee hereby agrees that for all purposes under this Agreement the independent contractor services shall be deemed to be conducted by the Permittee and shall be subject to all the terms, provisions and conditions hereof, including but not limited to the obligations of indemnification, insurance and the payment of all fees. The Permittee shall be fully and completely responsible therefore and all acts and omissions of the independent contractor drivers shall be and shall be deemed to be acts and omissions of the Permittee.
 - (b) The Permittee represents and warrants to the Port Authority that it has and will continue to have all the rights and powers with respect to its independent contractor drivers necessary to insure and enforce immediate and full compliance by the independent contractor drivers with all of the agreements and undertakings of the Permittee under this Agreement including, but not limited to Section 4 of the Terms and Conditions. The Permittee understands and agrees that the representation and warranty of the Permittee under this paragraph is of the essence hereunder and is being relied upon by the Port Authority in granting its consent hereunder.

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

ENDORSEMENT NO. 18.1
NO PERSONAL LIABILITY

- (a) Notwithstanding any other provision of this Agreement, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of LaGuardia Airport from the City of New York to the Port Authority under the agreement between the City and the Port Authority dated April 17, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated April 17, 1947 has been recorded in the Office of the Register of Deeds for The County of Queens on May 22, 1947 in Liber 5402 of Conveyances, at pages 319, et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

- (b) "LaGuardia Airport" or "Airport" shall mean the land and premises in the City of New York, in the County of Queens and State of New York, which are shown in green upon the exhibit attached to the said Agreement between the City and the Port Authority and marked "Map I," and lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

- (c) The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the city and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Agreement, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

ENDORSEMENT NO. 19.1
LAGUARDIA AIRPORT

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- (c) Nothing contained in this Special Endorsement nor the permission granted hereunder nor anything contained in the independent contractor agreement shall or shall be deemed to extend this Agreement or the term of the permission granted hereunder or to limit or waive the right of the Port Authority to revoke this Agreement and the permission granted hereunder as set forth in Section 1 of the Terms and Conditions and as otherwise set forth in this Agreement.
- (d) The Port Authority's consent to allow the Permittee to operate the Independent Contract Service with respect to one or more independent contractor drivers may be revoked at any time by the Port Authority, without cause, on ten (10) days' notice to the Permittee and no such revocation shall be deemed to affect the Agreement and the continuance thereof but this Special Endorsement and the consent granted hereunder shall be deemed to be of no further force and effect.
- (e) Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and the independent contractor drivers or any of them nor shall any third party rights affecting the Port Authority be created hereby except for the third party rights for the benefit of the Port Authority specifically provided for in paragraph (a) of this Special Endorsement. In case of any difference between the terms of the independent contractor agreement and this Agreement, this Agreement shall control, it being merely the intention of the Port Authority to permit the exercise of the Permittee's rights to the extent provided herein by independent contractor drivers and not to enlarge or otherwise change the permission granted to the Permittee hereunder.
- (f) The Permittee shall procure and maintain all required licenses, certificates, permits, franchises or other authorizations from all governmental authorities having or asserting jurisdiction over the use of Independent Contractor Drivers by the Permittee hereunder. The requirements of the previous sentence shall include without limitation compliance by the Permittee and all independent drivers with all applicable federal and state statutes or regulations regarding securities or franchising. The foregoing may include requirements of the United States Securities and Exchange Commission, the Trade Practice Regulation of the Federal Trade Commission set forth in 16 CFR, Part 436, as well as any applicable requirements of the State of New Jersey, the State of New York (including without limitation Articles 23(a) and 33 of the General Business Law) and any other State having jurisdiction.
- (g) The Permittee shall include in all independent contractor agreements it may enter into during the effective period of this Permit and shall amend, effective as of a date prior to the effective date of this Agreement, all independent contractor agreements which it has entered into prior to the effective date of this Agreement to include, the following provision:

"Notwithstanding any other provision of this Agreement, the Driver (by which is meant the independent contractor or franchisee) acknowledges and agrees that any privilege permit or agreement which the Ground Transportation Operator (by which is meant the Permittee) has or may enter into with the Port Authority of New York and New Jersey for the conduct of ground

SPECIAL ENDORSEMENTS

transportation operations to, at and from any Port Authority Airport provides that the Port Authority has no business relationship with any Driver but only with the "Permittee" and that the Permittee has under this Agreement all the rights and powers with respect to Drivers necessary to insure and enforce immediate and full compliance by the Drivers with all of the agreements and undertakings of the Permittee under such permit or agreement including the right of the Port Authority to object to the demeanor, conduct and appearance of Drivers and the obligation of the Permittee to immediately remove the cause of such objection. Such Port Authority permits and agreements shall provide for revocation by the Port Authority without cause or termination by the Permittee on ten (10) days' or less written notice by such party. Any consent by the Port Authority to the use of Drivers contained in such permit or agreement with the Port Authority may be separately revoked by the Port Authority without cause on ten (10) or less days' notice to the Permittee. Such Port Authority permits and agreements specifically provide that nothing therein contained shall create or shall be deemed to create any relationship between the Port Authority and any Driver. Such Port Authority permits and agreements provide that the Ground Transportation Operator and Drivers must comply with any and all federal and state statutes and regulations, which may be applicable to this Agreement and the arrangement created hereby including, without limitation, those of the U.S. Federal Trade Commission and the U.S. Securities & Exchange Commission and those of the Attorney General of the State of New York. The Driver and the Ground Transportation Operator both hereby agree that the Port Authority is a third-party beneficiary of the agreement contained in this paragraph."

3. (a) The terms and conditions of this Special Endorsement No.3 shall be herein referred to as the "Counter Provisions".
- (b) The Port Authority now operates one or more Consolidated Limousine Information and Reservation Service Counters (hereinafter singly or collectively, as the case may be, called the "Counter" or the "Counters") in airline terminal buildings ("Terminals") located at the Airports. The Counters are primarily operated to provide information to the public and to book trips to and from the Airports for patrons of various Port Authority permittees (not including the Permittee hereunder with respect to the privilege granted under this Agreement) which provide a per head service in vehicles having a seating capacity of seven (7) passengers or more including the driver. As a secondary service to passengers, For-Hire Service providers, including the Permittee hereunder, shall have their services offered to the public through Port Authority furnished customer self-service telephones installed at or near the Counters. The Permittee acknowledges and agrees that the following provisions of this Special Endorsement shall control the relationship of the Permittee and the Port Authority regarding the self-service telephones regardless of when they were or may be established:

SPECIAL ENDORSEMENTS

- (i) The self-service telephones shall be the sole means by which the Permittee is represented at the Airports. The Permittee shall be represented at each such self-service telephone installation in the terminals at the Airports.
 - (ii) The Port Authority may, by notice, elect to cease operation of a Counter or Counters, including self-service telephones, effective as of a date at least twenty-four (24) hours after notice thereof is delivered to the Permittee. Such cessation of operation of a Counter, or Counters, shall not be deemed a revocation of this Agreement.
 - (iii) The Port Authority reserves the right to relocate or change the configuration of the Counters and/or self-service telephones, or any of them. The Port Authority shall notify the Permittee at least twenty-four (24) hours prior to such relocation or change.
 - (iv) The Permittee agrees that it will cooperate fully with the Port Authority and its contractors to achieve the operation of Counters and self-service telephones, which serve the public in a first class manner.
 - (v) The Permittee understands and agrees that the Port Authority may obtain a third-party contractor which will be obligated to use reasonable efforts to manage and operate the Counters and self-service telephones and that the Port Authority assumes no responsibility for any deficiencies in, or interruption of, operation of the Counters or self-service telephones not caused by the Port Authority's willful misconduct.
 - (vi) Without limiting any other provision of this Special Endorsement, the Port Authority shall not be responsible either for collecting fees due to the Permittee from passengers utilizing its services offered hereunder, or for making the Permittee whole in connection with such fees as may remain unpaid.
4. Without limiting the provisions of Endorsement No. 17.1, the Permittee, in its own name, shall procure and maintain in full force and effect throughout the effective period of the permission granted hereunder all licenses, certificates, permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of its operations, either at the Airports or in rendering the service of which its operation at the Airports is a part. Neither the issuance of this Agreement nor anything contained therein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property, whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality of the States of New York or New Jersey.
 5. Neither a partnership nor a joint adventure is hereby created. The granting of the privilege under this Agreement is nonexclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of agreement or otherwise, provided however that the number of ground transportation operators to be granted the privilege of operating the For-Hire Service through the use of self-service telephones as provided in this Agreement to and from the Airport shall not exceed six at any time during the effective period hereunder.
 6. The conveyances to be operated by the Permittee pursuant to this Agreement shall not be more than five (5) years old. Conveyances used in the For-Hire Service hereunder shall not have a seating capacity in excess of six (6) passengers including the driver except as

SPECIAL ENDORSEMENTS

may be approved in writing by the Port Authority, and shall be so constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of the For-Hire Service, and the use of such conveyances shall be subject to the prior and continuing approval of the Port Authority. Vehicles generally known as taxicabs shall not be used in the For-Hire Service permitted under this Agreement. Such conveyances shall be equipped with two-way radios or telephones through which vehicles shall be dispatched upon request by customers for service. Dispatching of vehicles and/or drivers shall not be conducted through the self-service telephones. The Permittee shall maintain all conveyances operated by the Permittee in good repair, order and appearance; shall keep them clean at all times; and shall keep them heated whenever used during the months of October, through April of each year. Vehicles shall be equipped with air conditioning and activated when so requested by passengers during the months of May through September. The Permittee shall not paint, mark or identify any vehicle or conveyance to be operated by the Permittee pursuant to this Agreement with the words "taxi" or "taxicab" or words of similar meaning or with marking schemes or colors tending to identify such vehicles as taxicabs. Equipment assigned to the service under this Agreement will not carry exterior advertising. No vehicle utilized by the Permittee in performing services hereunder shall be moved unless and until all persons therein are seated.

7. The routes, roads and ways within the Airports over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way, and does not agree to keep the same unobstructed, uncongested or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Agreement, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers or load and unload baggage and packages only at the point or points within the Airports which may be from time to time designated by the Port Authority for the public to perform such activities as well as in the public parking lots. The Port Authority assumes no obligation to designate restricted roadways and curb frontage for use by the Permittee, its drivers or vehicles.
8. (a) The Permittee shall make only fair and reasonable charges for services rendered hereunder at or in part at, or in connection with the Airports and in accordance with a schedule of rates and charges which shall be subject to the prior and continuing consent of the Port Authority. The Permittee shall charge a per vehicle rate on a flat or hourly basis for the For-Hire Service, which rate shall not differ based on the number of persons carried in the Permittee's vehicle at the same time. The Permittee shall not charge passengers on a per-head basis and shall not operate as a Shared-Ride, Scheduled or group ride service. The Permittee shall not require passengers to pay tips or gratuities in addition to the fare quoted for service. Payment of tips or gratuities by passengers to drivers or any other employee of the Permittee shall be at the discretion of the passenger.

SPECIAL ENDORSEMENTS

- (b) The Port Authority will not withhold its consent to such rates and charges if they shall have been approved or determined by any board, commission or other governmental regulatory body of the United States of America or the State of New York or the State of New Jersey, provided that such regulatory body has jurisdiction and the power of final determination, and provided, further, that the approval or determination is in effect at the time in question. In the absence of any such governmental determination, the Port Authority will not withhold approval of rates and charges substantially equivalent to those made for similar services by persons or organizations rendering similar services elsewhere in any municipality in which the Airports are located. Copies of all rates and charges shall be submitted to the Port Authority within five (5) business days of a request by the Port Authority for such rates and charges. The Permittee agrees that all of its advertising for all of its services to be rendered under this Agreement shall conform to and be consistent with this Special Endorsement No. 8 and all other terms and provisions of this Agreement.
9. The Port Authority makes no warranty or representation that unauthorized individuals offering services to the public the same or similar to those offered by the Permittee will not be present in the terminal building areas at the Airports and the Port Authority shall have no liability to the Permittee in connection therewith.
10. (a) During the term of this Agreement the Permittee shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, consultant, or other person or firm representing the Port Authority, or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing in connection with the performance by such employee, agent, consultant, other person or firm representing the Port Authority, of duties involving transactions with the Permittee on behalf of the Port Authority, whether or not such duties are related to this Agreement or any other Port Authority contract or matter. Any such conduct shall be deemed a material breach of this Agreement.
- (b) As used herein "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by this Agreement or any other Port Authority contract), etc., which might tend to obligate the Port Authority employee to the Permittee, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Agreement or any other Port Authority contract.
- (c) In addition, during the term of this Agreement, the Permittee shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated as of July 18, 1994 (a copy of which is available upon request to the Office of the Secretary of the Port Authority).
- (d) The Permittee shall include the provisions of this clause in any subcontract entered into in connection with this Agreement.

SPECIAL ENDORSEMENTS

11. (a) The permission granted by this Agreement shall take effect upon the effective date hereinbefore set forth. If the Port Authority at anytime during the effective period of this Agreement shall, in its sole discretion, determine to implement modifications to its Airport ground transportation business policy which, in the opinion of the Port Authority, significantly alters the relationship of the privilege granted hereunder to other aspects of the Port Authority's Airport ground transportation business policy, the Port Authority shall provide a description of such changes in a notice to the Permittee. During the thirty (30) day period following such notice, the Permittee may notify the Port Authority of the termination of this Agreement to be effective thirty (30) days after such notice to the Port Authority as if such date were the date originally set forth in this Agreement for its expiration.
- (b) If on the date of execution of this Agreement by the Port Authority the Permittee has either a Privileged Shared-Ride Service Permit from the Port Authority and such Permit expires or is terminated or revoked by the Port Authority or the Permittee, the Permittee shall have the right to terminate this Ground Transportation Agreement during the thirty (30) days following the giving of notice thereof, upon ten (10) days prior written notice to the Port Authority.
12. The Permittee shall meet or surpass the customer service standards that apply to Permittee Services which appear in the Ground Transportation section of the latest edition of the Airport Standards Manual, attached hereto as Exhibit IV and hereby made a part hereof, as the same may be revised or amended by the Port Authority.
13. (a) The Permittee shall promptly report in writing to the Manager of the Facility all accidents whatsoever arising out of or in connection with its operations hereunder and which result in death or injury to persons or damage to property, setting forth such details thereof as the Port Authority may desire.
- (b) In addition to and without limiting the other obligations of the Permittee under this Permit, the Permittee, with respect to each vehicle operated by it, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums on the following described policy or policies of insurance in not less than the following limits which shall cover its operations hereunder and shall be effective during the effective period of this Permit: If on the date of execution of this Agreement by the Port Authority the Permittee has either a Privileged Shared-Ride Service Permit from the Port Authority and such Permit expires or is terminated or revoked by the Port Authority or the Permittee, the Permittee shall have the right to terminate this Ground Transportation Agreement during the thirty (30) days following the giving of notice thereof, upon ten (10) days prior written notice to the Port Authority.
 - (i) Comprehensive General Liability Insurance covering airport operations and covering bodily injury including wrongful death, and property damage which shall not exclude property damage to any property in the care, custody or control of the Permittee, in the minimum amount of \$2,000,000 combined single limit for each occurrence.

SPECIAL ENDORSEMENTS

- (ii) Comprehensive Automobile Liability Insurance to include owned, non-owned and hired vehicles, as applicable, listing the Vehicle Identification Number (VIN) for each vehicle, covering bodily injury including wrongful death, and property damage, which shall not exclude property damage to any property in the care, custody or control of the Permittee, in the minimum amount of \$5,000,000 combined single limit for each occurrence.

- (c) The Permittee shall secure as part of each said policy of insurance a contractual liability endorsement covering the obligations of the Permittee, none of the foregoing policies to contain any exclusion for bodily injury to or sickness, disease or death of any employee of the Permittee which would conflict with or in any way impair coverage on the contractual liability endorsement. The insurance required hereunder shall also provide or contain an endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action by a third person shall pertain and apply with like effect with respect to any claims or actions against the Permittee by the Port Authority, and that said protections shall also pertain and apply with respect to any claim or action against the Port Authority by the Permittee, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority by the Permittee shall be the same as the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by the third person as if the Port Authority were the named insured thereunder. Notwithstanding the minimum limits set forth herein, it is specifically understood and agreed that the Port Authority shall have the right upon notice to the Permittee given from time to time and at any time to require the Permittee to increase any or all of the said limits and the Permittee shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. Each policy, certificate or binder delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed, or modified without giving thirty (30) days written advance notice thereof to the Port Authority. Each such copy or certificate required shall contain the 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 of the provisions of any statutes respecting suits against the Port Authority.

SPECIAL ENDORSEMENTS

Any renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of the policies shall be delivered to the Port Authority.

NEWARK LIBERTY INTERNATIONAL AIRPORT

**FOR-HIRE SERVICE
PROVIDERS BID SHEET**

In consideration for the privilege of offering a For-Hire Service at Newark International Airport through self-service telephones, the transportation provider shall pay an annual flat fee to the Port Authority of:

Amount in words: _____ Dollars

Amount in figures: \$ _____

(In the event of any inconsistency between the amount stated in words and the amount stated in figures, the amount stated in words will be controlling. Bids based on a percentage of gross receipts or formulas that vary the amount bid based on the amount of work performed will result in the disqualification of the bid.)

IF THE BIDDER SUBMITS A BID FOR FOR-HIRE SERVICE AT NEWARK INTERNATIONAL AIRPORT, THE BIDDER MUST EXECUTE THE ATTACHED GROUND TRANSPORTATION AGREEMENT INCLUDING THE SEPARATE EXECUTION OF THE ASSURANCE OF IRREVOCABILITY CONTAINED THEREIN COVERING SUCH AIRPORT.

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THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

GROUND TRANSPORTATION AGREEMENT

The Port Authority of New York and New Jersey (herein called the "Port Authority") hereby grants to the Permittee hereinafter named the hereinafter described privilege at the Port Authority Facilities hereinafter named, in accordance with the Terms and Conditions hereof and the endorsements annexed hereto; and the Permittee agrees to pay the fee specified in the Bid Sheet annexed hereto and hereby made a part hereof and to perform all other obligations imposed upon it in the said Terms and Conditions:

- 1. FACILITY: Newark Liberty International Airport
2. PRIVILEGE: As set forth in Special Endorsement No.1
3. ENDORSEMENTS: 2.2,2.8,3.1,8.0,9.1,9.5,9.6,10.1,12.1,14.1,16.1, 17.1, 18.1,19.3,23.1, 28 AND SPECIALS
4. FEE: As set forth in the Bid Sheet
5. EFFECTIVE DATE: Seven (7) days after the date of execution of this Agreement by the Port Authority
6. EXPIRATION DATE: February 28, 2010 unless sooner revoked or terminated as provided in Section I of the following terms and conditions

Bid Submitted By: Bid Accepted By:
PERMITTEE: THE PORT AUTHORITY OF NY & NJ
(Name of Firm)
By: (Signature of Authorized Officer) By:
(Title of Authorized Officer) Title:
Date: Date:

PERMITTEE'S ADDRESS AND STATE OF INCORPORATION
(Address Line 1) (Area Code) (Phone No.)
(Address Line 2) (Attach copy of Certificate of Incorporation)
(State of Incorporation) APPROVE CORPORATE SEAL

Handwritten signature and initials: AG for PA 6/11/10

NOTICE TO BIDDERS-ASSURANCE OF IRREVOCABILITY
Unless the assurance of irrevocability appearing on the next page is signed, the bid submitted herein shall not be deemed to be complete.

The foregoing signature shall be deemed to have been provided with full knowledge that this Ground Transportation Agreement, the accompanying booklet, as well as any certification, statement, assurance, representation, warranty, schedule or other document submitted by the bidder with its bid, collectively the "bidders submission," will become a part of the records of the Port Authority and that the Port Authority will rely in awarding this Ground Transportation Agreement on the truth and accuracy of the bidder's submission. Knowingly submitting a false statement in connection with any of the foregoing may be the basis for prosecution for offering a false instrument for filing (see e.g., N.Y. Penal Law, Section 175.30 et seq.).

ASSURANCE OF IRREVOCABILITY

Unless the following assurance of irrevocability is signed, the bid submitted herein shall not be deemed to be complete. The foregoing offer shall be irrevocable for one hundred twenty (120) days after the date on which the Port Authority opens such bid.

PERMITTEE: _____
(Name of Firm)

By: _____
(Signature of Authorized Officer)

(Title of Authorized Officer)

Date: _____

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G.T.T.
(T/N)

TERMS AND CONDITIONS

TERMS AND CONDITIONS

1. The permission granted by this Agreement shall take effect upon the date contained in a notification from the Port Authority and expire on February 28, 2010, with two subsequent one-year extension periods solely at the option of the Port Authority by giving written notice to the Permittee on or before the Expiration Date of this Agreement. Notwithstanding any other terms or condition hereof, this Agreement may be revoked without cause, upon ten (10) days' written notice, by the Port Authority provided, however, that it may be revoked on twenty-four (24) hours' notice if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, terms and provision contained in this Agreement, including, but not limited to, the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation or termination shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

2. The rights granted hereby shall be exercised:

- (a) If the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,
- (b) If the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers and employees,
- (c) If the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees, or
- (d) If the Permittee is an individual, by the Permittee acting only personally or through the medium of his employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other person, corporation or legal entity. Except as provided below, the Permittee shall not assign or transfer this Agreement or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor except as provided below. In the event of the issuance of this Agreement to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

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TERMS AND CONDITIONS

3. This Agreement does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.
4. The operations of the Permittee, its drivers and other employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. The Permittee shall provide and its employees shall wear identification badges containing a recent photograph of said employee and employees shall wear appropriate uniforms or be neatly dressed in appropriate business attire. The means of identification and uniforms shall be subject to the written approval of the Manager of the Airport. The Permittee shall conduct its business operations with the objective of providing courteous service to the public generally in the manner set forth in Exhibit IV the Aviation Department's Airports Standards Manual annexed hereto and hereby made a part hereof. The Port Authority shall have the right to object to the Permittee regarding the demeanor, conduct and appearance of the Permittee's drivers and other employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to immediately remove the cause of the objection.
5. (a) In the use of the parkways, roads, streets, bridges, corridors, hallways, stairs and other common areas of the Airport as a means of ingress and egress to, from and about the Airport, and also in the use of portions of the Airport to which the general public is admitted, the Permittee shall conform (and shall require its employees, invitees and others doing business with it to conform) to the Rules and Regulations of the Port Authority which are now in effect or which may hereafter be adopted for the safe and efficient operation of the Airport.

(b) The Permittee, its drivers and other employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport beyond a reasonable loading or discharging time, except in regular parking areas and upon payment of the regular charges therefor. The Permittee is not granted use of restricted roadways or curb frontage.
6. (a) The Permittee assumes the following risks, whether such risks arise from acts or omissions (negligent or not) of the Permittee, the Port Authority or third persons or from any other cause, excepting only risks occasioned solely by affirmative willful acts of the Port Authority and shall indemnify the Port Authority for all loss or damage incurred in connection with such risks including claims and demands of the City of Newark against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City:
 - (i) The risk of any and all loss or damage of Port Authority property, equipment (including but not limited to automotive and/or mobile

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TERMS AND CONDITIONS

equipment), materials and possessions at the Airport hereunder or otherwise, the loss or damage of which shall arise out of the Permittee's operations hereunder.

- (ii) The risk of any and all loss or damage of the Permittee's property, equipment (including but not limited to automotive and/or mobile equipment) materials and possessions at the Airport hereunder or otherwise.
- (iii) The risk of claims, whether made against the Permittee or the Port Authority, for any and all loss or damages occurring to any property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions of the Permittee's agents, employees, independent contractor drivers and others performing work hereunder.
- (iv) The risk of claims for injuries, damage or loss of any kind just or unjust, of third persons arising or alleged to arise out of the performance of services hereunder, whether such claims are made against the Permittee or the Port Authority.
- (v) If so directed, the Permittee shall at its own expense defend any suit based upon any such claim or demand, even if such suit, claim or demand is groundless, false or fraudulent, and in handling such 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 provision of any statutes respecting suits against the Port Authority.

(b) The Port Authority may (i) post notices on or adjacent to the self-service telephones and (ii) include notices on written material distributed to the public at the Ground Transportation Centers, stating that the Port Authority makes no warranty or representation about the ground transportation service provided by the For-Hire Service Providers (as such terms are defined below) and assumes no liability with respect thereto.

- 7. The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations hereunder. The Permittee shall not install any fixtures or make any alterations or improvements in or additions or repairs to any property of the Port Authority except with its prior written approval.
- 8. The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Agreement. Without in any wise limiting its obligations under Section 6 hereof the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners,

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TERMS AND CONDITIONS

officers, employees, agents and representatives of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Agreement.

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9. The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Airport or to be placed or brought on the Airport and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

10. (a) No signs, posters or similar devices shall be erected, displayed or maintained by the Permittee in view of the general public without the written approval of the Manager of the Airport; and any not approved by him may be removed by the Port Authority at the expense of the Permittee.

(b) Permittees' drivers and any other employees shall not loiter at or near any Ground Transportation Counter or self-service telephone.

(c) The Permittee shall not assign or place any driver, employee, representative, customer service agent or other such person at the Airport or in any terminal buildings thereat on a regular or occasional basis for any purpose whatsoever.

11. The Permittee's representative hereinbefore specified (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Agreement and to do any act or thing to be done hereunder, and to execute on behalf of the Permittee any amendments or supplements to this Agreement or any extension thereof, and to give and receive notices hereunder.

12. As used herein:

(a) The term "Executive Director" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Agreement; but until further notice from the Port Authority to the Permittee, it shall mean the Executive Director of the Port Authority for the time being, or his duly designated representative or representatives.

TERMS AND CONDITIONS

(b) Whenever the term "General Manager of the Airport" is used herein it shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the General Manager of Newark International Airport.

13. A bill or statement may be rendered and any notice or communication which the Port Authority may desire to give the Permittee shall be deemed sufficiently rendered or given, if the same is in writing and sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the address that the Permittee may have most recently substituted therefor by notice to the Port Authority, or left at such address, or delivered to the representative of the Permittee, and the time of rendition of such bill or statement and of the giving of such notice or communication shall be deemed to be the time when the same is mailed, left or delivered as herein provided. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003, or at such other address as the Port Authority shall hereafter designate by notice to the Permittee.
14. The Permittee agrees to be bound by and comply with the provisions of all endorsements annexed to this Agreement at the time of issuance.
15. This Agreement and the attached endorsements and exhibits, including the attached Information For Bidders and the Bid Sheet constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof and may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein. In the event of any inconsistency between this Agreement and the attached endorsements and exhibits, and such Information for Bidders and the Bid Sheet, this Agreement and the attached endorsements and exhibits, shall be deemed controlling.
16. This Agreement by the Port Authority with the Permittee shall not be construed as an endorsement by the Port Authority of the Permittee's service. The Permittee shall not reference the Port Authority or this Agreement in the promotion or sale of its services.

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The quarterly fee hereunder shall be due and payable on the effective date hereof prorated on the basis of there being ninety-one (91) days in a calendar quarter and on the first day of each calendar quarter thereafter, provided, however, that if the permission granted hereby shall expire or be revoked or terminated effective on a date other than the last day of a calendar quarter, the Port Authority shall pay or credit to the Permittee the prorated portion of the quarterly fee on the basis of there being ninety-one (91) days in a calendar quarter.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P. O. BOX 95000-1517
PHILADELPHIA, PA 19195-1517

Or via the following wire transfer instructions:

Bank: Commerce Bank
Bank ABA Number: 026013673
Account Number: [REDACTED]

or to such other address as may hereafter be substituted therefor by the Port Authority, from time to time, by notice to the Permittee.

ENDORSEMENT NO. 2.2
FEE PAYMENT

Handwritten notes:
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In connection with the exercise of the privilege granted hereunder, the Permittee shall:

- (a) Use its best efforts in every proper manner to develop and increase the business conducted by it hereunder;
- (b) Not divert or cause or allow to be diverted, any business from the Airport;
- (c) Maintain, in accordance with accepted accounting practice, during the effective period of this Agreement and for one (1) year after the expiration or earlier revocation or termination thereof, and for a further period extending until the Permittee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions of the Permittee at, through, or in anywise connected with the Airport which records and books of account shall be kept at all times within the Port of New York District;
- (d) Permit in ordinary business hours during the effective period of this Agreement, for one year thereafter, and during such further period as is mentioned in the preceding subdivision (c), the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Permittee, or which owns or controls the Permittee, if said company performs services, similar to those performed by the Permittee, anywhere in the Port of New York District;

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- (a) A principal purpose of the Port Authority in granting the permission under this Agreement is to have available for passengers, travelers and other users of the Airport hereunder, all other members of the public, and persons employed at the Airport hereunder, the merchandise and/or services which the Permittee is permitted to sell and/or render hereunder, all for the better accommodations, convenience and welfare of such individuals and in fulfillment of the Port Authority's obligation to operate facilities for the use and benefit of the public.
- (b) The Permittee agrees that it will conduct a first class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor. The Permittee shall furnish all services hereunder on a fair, equal and non-discriminatory basis to all users thereof.

Handwritten initials and signature:
K. R. P. A.
G. T. T.
N. J. N.

If the Permittee should fail to pay any amount required under this Agreement when due to the Port Authority, including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Endorsement with respect to such unpaid amount. Nothing in this Endorsement is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (a) any rights of the Port Authority under this Agreement including without limitation the Port Authority's rights set forth in Section I of the Terms and Conditions of this Agreement or (b) any obligations of the Permittee under this Agreement. In the event that any late charge imposed pursuant to this Endorsement shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Agreement shall be payable instead of such legal maximum.

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ENDORSEMENT NO. 8.0
LATE CHARGES

The Permittee shall

- (a) (i) Furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;
 - (ii) Furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and
 - (iii) Charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- (b) As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).
- (c) The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airport and Airways Development Act of 1970, as the same has been amended and supplemented, and under prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities of its contractors, lessees and Permittees thereon. The performance by the Permittee of the promises and obligations contained in this Agreement is therefore a special consideration and inducement to the issuance of this Agreement by the Port Authority, and the Permittee further agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Agreement the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

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- (a) Without limiting the generality of any of the provisions of this Agreement, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (i) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the exercise of any privileges under this Agreement (ii) that the Permittee shall exercise any privileges under this Agreement in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.
- (b) The Permittee shall include the provisions of paragraph (a) of this Endorsement in every agreement or concession it may make pursuant to which any person or persons, other than the Permittee, operates any facility at the Airport providing services to the public and shall also include therein a provision granting the Port Authority a right to take such action as the United States may direct to enforce such provisions.
- (c) The Permittee's noncompliance with the provisions of this Endorsement shall constitute a material breach of this Agreement. In the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Agreement and the permission hereunder; or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.
- (d) The Permittee shall indemnify and hold harmless the Port Authority from any claims and demands of third persons including the United States of America resulting from the Permittee's noncompliance with any of the provisions of this Endorsement and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.
- (e) Nothing contained in this Endorsement shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Agreement or to make any agreement or concession of the type mentioned in paragraph (b) hereof.

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

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ENDORSEMENT NO. 9.6
AIRPORTS
AFFIRMATIVE ACTION

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

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ENDORSEMENT NO. 10.1
GARBAGE

- (a) The Permittee shall refrain from entering into continuing contracts or arrangements with third parties for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.
- (b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or nonbinding, with any other person who may furnish services at the Airport similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Airport in connection with the furnishing of such services.

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ENDORSEMENT NO. 12.1
CAPACITY & COMPETITION

Except as specifically provided herein to the contrary, the Permittee shall not, by virtue of the issue and acceptance of this Agreement, be released or discharged from any liabilities or obligations whatsoever under any other Port Authority Permits or agreements including but not limited to any permits to make alterations.

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ENDORSEMENT NO. 14.1
DUTIES UNDER OTHER AGREEMENTS

The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further reasonable rules and regulations which may from time to time during the effective period of this Agreement, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport.

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ENDORSEMENT NO. 16.1
RULES & REGULATIONS COMPLIANCE

- (a) The Permittee shall procure and keep current all licenses, certificates, Permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Airport which may be necessary for the Permittee's operations thereat. The Permittee shall immediately furnish to the Port Authority all such licenses, certificates or other authorization if so requested.
- (b) The Permittee shall pay all taxes, license, certification, Permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.
- (c) The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Airport.
- (d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Airport and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

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ENDORSEMENT NO. 17.1
LAW COMPLIANCE

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

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ENDORSEMENT NO. 18.1
NO PERSONAL LIABILITY

(a) Notwithstanding any other provision of this Agreement, the permission hereby granted shall in any event terminate with the expiration or termination of the lease of Newark International Airport from the City of Newark to the Port Authority under the agreement between the City and the Port Authority dated October 22, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated October 22, 1947 has been recorded in the Office of the Register of Deeds for The County of Essex on October 30, 1947 in Book E-110 of Deeds at pages 242, et seq. No greater rights or privileges are hereby granted to the Permittee than the Port Authority has power to grant under said agreement as supplemented or amended as aforesaid.

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

(b) The Port Authority has agreed by a provision in its agreement of lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the city and of its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Agreement, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

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The Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of this Agreement, a sum equal to **twenty-five percent (25%) of the annual flat fee stated on the Permittee's Bid Sheet** upon the execution of this Agreement by the Port Authority either in a certified check, 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 having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this 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 Permittee may deposit such bonds or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority, the Permittee shall deposit such bond together with an irrevocable bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Permittee any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Permittee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of this Agreement on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, to sell the same in whole or in part, at any time, and from time to time, with or without prior notice at public or private sale, all as determined by the Port Authority, together with the right to purchase the same at such sale free of all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the 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 Permittee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Endorsement. After the expiration or earlier revocation or termination of the effective period of the permission under this Agreement, and upon condition that the Permittee shall then be in no wise in default.

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under any part of this Agreement, and upon written request therefore by the Permittee, the Port Authority will return the deposit to the Permittee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the deposit. The Permittee may collect or receive any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts, less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of an administrative expense, or custodial charge, or otherwise; provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts.

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If any type of strike or other labor activity is directed against the Permittee at the Airport or against any operations pursuant to this Agreement resulting in picketing or boycott for any period which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Airport or the operations of other Permittees, lessees or licensees thereat, whether or not the same is due to the fault of the Permittee, and whether caused by the employees of the Permittee or by others, the Port Authority may at any time during the continuance thereof, by twenty-four (24) hours notice, revoke this Agreement effective at the time specified in the notice. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

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ENDORSEMENT NO. 28
DISTURBANCES

SPECIAL ENDORSEMENTS

1. (a) The Permittee is hereby granted the nonexclusive privilege of using the routes, roads and ways of the Facilities as may from time to time be designated by the Port Authority for the purpose of conducting the Permittee's business at the Facilities as described in paragraphs (b) and (c) hereof.
- (b) (i) The Permittee is hereby granted the nonexclusive privilege to provide, and the Permittee hereby agrees to conduct the business of providing, a ground transportation service by chauffeured motor vehicle for all persons (and their baggage) desiring transportation by the Permittee to and from Newark Liberty International Airport and all points in the New York and New Jersey metropolitan area on the other hand.
- (ii) The foregoing ground transportation service set forth in this paragraph (b), being sometimes herein called the "For-Hire Service" shall be provided on the basis of a per vehicle charge based on time, mileage or destination and be provided at a minimum every day to any and all passengers who request such service during the hours from 7:00 A.M. to 12:00 midnight, seven days a week as well as at all other times flights arrive. The Permittee shall give to the Port Authority such written information with respect to the schedules, fares or other aspects of the For-Hire Service as the Port Authority may from time to time and at any time request, within five business days of such request. In addition, the Permittee shall advise the Port Authority of any addition, deletion or other change to the above information at least five days prior to the effective date of such addition, deletion or change.
- (c) (i) It is hereby expressly understood and agreed that the privilege granted under this Agreement to provide the For-Hire Service shall not include providing said service to a customer who is an Aircraft Operator and the Permittee hereby expressly agrees that it shall not provide the For-Hire Service to an Aircraft Operator, unless the Permittee has a separate permit agreement or agreements issued by the Port Authority authorizing such a service, which is called an "airline vehicular transportation service" in such permit agreements when the service is offered to employees of an Aircraft Operator and which is called either an "airline vehicular transportation service" or an "airline arranged limousine transportation service" in such permit agreements when the service is offered to passengers of an Aircraft Operator and in such event the Permittee shall not indirectly or directly utilize its personnel (except as specifically authorized by the Port Authority) or facilities at the Airports to carry on or conduct any business operation or service at the Airports other than as specifically set forth herein.

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SPECIAL ENDORSEMENTS

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

(iii) It is further understood and agreed that, notwithstanding the definition of the For-Hire Service as hereinbefore set forth, the Permittee shall not provide said service to and from points within the Central Terminal Area of the Airports (said Central Terminal Area being the areas where the airline passenger terminal facilities are located).

(d) The Permittee shall not solicit business on the public areas of the Airports. The use of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying devices is hereby expressly prohibited.

2. Should the Permittee desire to operate all or a portion of the For-Hire Service hereunder by means of independent contractor arrangements whereby the driver of each vehicle used in performing the for hire service (hereinafter called the "independent contractor service") shall conduct the same on behalf of the Permittee under a form of written agreement (such agreements being hereinafter called the "independent contractor agreements") entered into between the Permittee and each such driver (such drivers being hereinafter called the "independent contractor drivers"). The Port Authority has no objection to the use of the independent contractor drivers to conduct the independent contractor service, as aforesaid, notwithstanding any provision of Endorsement No. 12.1 which may conflict or be inconsistent herewith, provided that:

(a) The Permittee hereby agrees that for all purposes under this Agreement the independent contractor services shall be deemed to be conducted by the Permittee and shall be subject to all the terms, provisions and conditions hereof, including but not limited to the obligations of indemnification, insurance and the payment of all fees. The Permittee shall be fully and completely responsible therefore and all acts and omissions of the independent contractor drivers shall be and shall be deemed to be acts and omissions of the Permittee.

(b) The Permittee represents and warrants to the Port Authority that it has and will continue to have all the rights and powers with respect to its independent contractor drivers necessary to insure and enforce immediate and full compliance by the independent contractor drivers with all of the agreements and undertakings of the Permittee under this Agreement including, but not limited to Section 4 of the Terms and Conditions. The Permittee understands and agrees that the representation and warranty of the Permittee under this paragraph is of the

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SPECIAL ENDORSEMENTS

essence hereunder and is being relied upon by the Port Authority in granting its consent hereunder.

- (c) Nothing contained in this Special Endorsement nor the permission granted hereunder nor anything contained in the independent contractor agreement shall or shall be deemed to extend this Agreement or the term of the permission granted hereunder or to limit or waive the right of the Port Authority to revoke this Agreement and the permission granted hereunder as set forth in Section 1 of the Terms and Conditions and as otherwise set forth in this Agreement.
- (d) The Port Authority's consent to allow the Permittee to operate the Independent Contract Service with respect to one or more independent contractor drivers may be revoked at any time by the Port Authority, without cause, on ten (10) days' notice to the Permittee and no such revocation shall be deemed to affect the Agreement and the continuance thereof but this Special Endorsement and the consent granted hereunder shall be deemed to be of no further force and effect.
- (e) Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and the independent contractor drivers or any of them nor shall any third party rights affecting the Port Authority be created hereby except for the third party rights for the benefit of the Port Authority specifically provided for in paragraph (a) of this Special Endorsement. In case of any difference between the terms of the independent contractor agreement and this Agreement, this Agreement shall control, it being merely the intention of the Port Authority to permit the exercise of the Permittee's rights to the extent provided herein by independent contractor drivers and not to enlarge or otherwise change the permission granted to the Permittee hereunder.
- (f) The Permittee shall procure and maintain all required licenses, certificates, permits, franchises or other authorizations from all governmental authorities having or asserting jurisdiction over the use of Independent Contractor Drivers by the Permittee hereunder. The requirements of the previous sentence shall include without limitation compliance by the Permittee and all independent drivers with all applicable federal and state statutes or regulations regarding securities or franchising. The foregoing may include requirements of the United States Securities and Exchange Commission, the Trade Practice Regulation of the Federal Trade Commission set forth in 16 CFR, Part 436, as well as any applicable requirements of the State of New Jersey, the State of New York (including without limitation Articles 23(a) and 33 of the General Business Law) and any other State having jurisdiction.
- (g) The Permittee shall include in all independent contractor agreements it may enter into during the effective period of this Permit and shall amend, effective as of a date prior to the effective date of this Agreement, all independent contractor agreements which it has entered into prior to the effective date of this Agreement to include, the following provision:

"Notwithstanding any other provision of this Agreement, the Driver (by which is meant the independent contractor or franchisee) acknowledges and agrees that any privilege permit or

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agreement which the Ground Transportation Operator (by which is meant the Permittee) has or may enter into with the Port Authority of New York and New Jersey for the conduct of ground transportation operations to, at and from any Port Authority Airport provides that the Port Authority has no business relationship with any Driver but only with the "Permittee" and that the Permittee has under this Agreement all the rights and powers with respect to Drivers necessary to insure and enforce immediate and full compliance by the Drivers with all of the agreements and undertakings of the Permittee under such permit or agreement including the right of the Port Authority to object to the demeanor, conduct and appearance of Drivers and the obligation of the Permittee to immediately remove the cause of such objection. Such Port Authority permits and agreements shall provide for revocation by the Port Authority without cause or termination by the Permittee on ten (10) days' or less written notice by such party. Any consent by the Port Authority to the use of Drivers contained in such permit or agreement with the Port Authority may be separately revoked by the Port Authority without cause on ten (10) or less days' notice to the Permittee. Such Port Authority permits and agreements specifically provide that nothing therein contained shall create or shall be deemed to create any relationship between the Port Authority and any Driver. Such Port Authority permits and agreements provide that the Ground Transportation Operator and Drivers must comply with any and all federal and state statutes and regulations, which may be applicable to this Agreement and the arrangement created hereby including, without limitation, those of the U.S. Federal Trade Commission and the U.S. Securities & Exchange Commission and those of the Attorney General of the State of New York. The Driver and the Ground Transportation Operator both hereby agree that the Port Authority is a third-party beneficiary of the agreement contained in this paragraph."

3. (a) The terms and conditions of this Special Endorsement No.3 shall be herein referred to as the "Counter Provisions".
- (b) The Port Authority now operates one or more Consolidated Limousine Information and Reservation Service Counters (hereinafter singly or collectively, as the case may be, called the "Counter" or the "Counters") in airline terminal buildings ("Terminals") located at the Airports. The Counters are primarily operated to provide information to the public and to book trips to and from the Airports for patrons of various Port Authority permittees (not including the Permittee hereunder with respect to the privilege granted under this Agreement) which provide a per head service in vehicles having a seating capacity of seven (7) passengers or more including the driver. As a secondary service to passengers, For-Hire Service providers, including the Permittee hereunder, shall have their services offered to the public through Port Authority furnished customer self-service telephones installed at or near the Counters. The Permittee acknowledges and agrees that the following provisions of this Special Endorsement shall control the relationship of the Permittee and the Port Authority regarding the self-service telephones regardless of when they were or may be established:

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- (i) The self-service telephones shall be the sole means by which the Permittee is represented at the Airports. The Permittee shall be represented at each such self-service telephone installation in the terminals at the Airports.
- (ii) The Port Authority may, by notice, elect to cease operation of a Counter or Counters, including self-service telephones, effective as of a date at least twenty-four (24) hours after notice thereof is delivered to the Permittee. Such cessation of operation of a Counter, or Counters, shall not be deemed a revocation of this Agreement.
- (iii) The Port Authority reserves the right to relocate or change the configuration of the Counters and/or self-service telephones, or any of them. The Port Authority shall notify the Permittee at least twenty-four (24) hours prior to such relocation or change.
- (iv) The Permittee agrees that it will cooperate fully with the Port Authority and its contractors to achieve the operation of Counters and self-service telephones, which serve the public in a first class manner.
- (v) The Permittee understands and agrees that the Port Authority may obtain a third-party contractor which will be obligated to use reasonable efforts to manage and operate the Counters and self-service telephones and that the Port Authority assumes no responsibility for any deficiencies in, or interruption of, operation of the Counters or self-service telephones not caused by the Port Authority's willful misconduct.
- (vi) Without limiting any other provision of this Special Endorsement, the Port Authority shall not be responsible either for collecting fees due to the Permittee from passengers utilizing its services offered hereunder, or for making the Permittee whole in connection with such fees as may remain unpaid.
4. Without limiting the provisions of Endorsement No. 17.1, the Permittee, in its own name, shall procure and maintain in full force and effect throughout the effective period of the permission granted hereunder all licenses, certificates, permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Permittee, which may be necessary for the conduct of its operations, either at the Airports or in rendering the service of which its operation at the Airports is a part. Neither the issuance of this Agreement nor anything contained therein shall be or be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate omnibuses, taxicabs or any other vehicles or conveyances carrying passengers or property, whether for hire or otherwise, outside the Airports, or over the public streets or roads of or located in any municipality of the States of New York or New Jersey.
5. ~~Neither a partnership nor a joint adventure is hereby created. The granting of the privilege under this Agreement is nonexclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airports to another or to others, whether by use of this form of agreement or otherwise, provided however that the number of ground transportation operators to be granted the privilege of operating the For-Hire Service through the use of self-service telephones as provided in this Agreement to and from the Airport shall not exceed six at any time during the effective period hereunder.~~
6. The conveyances to be operated by the Permittee pursuant to this Agreement shall not be more than five (5) years old. Conveyances used in the For-Hire Service hereunder shall

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not have a seating capacity in excess of six (6) passengers including the driver except as may be approved in writing by the Port Authority, and shall be so constructed and equipped and of such number, size and type as in the judgment of the Port Authority shall fulfill the requirements of the For- Hire Service, and the use of such conveyances shall be subject to the prior and continuing approval of the Port Authority. Vehicles generally known as taxicabs shall not be used in the For-Hire Service permitted under this Agreement. Such conveyances shall be equipped with two-way radios or telephones through which vehicles shall be dispatched upon request by customers for service. Dispatching of vehicles and/or drivers shall not be conducted through the self-service telephones. The Permittee shall maintain all conveyances operated by the Permittee in good repair, order and appearance; shall keep them clean at all times; and shall keep them heated whenever used during the months of October, through April of each year. Vehicles shall be equipped with air conditioning and activated when so requested by passengers during the months of May through September.. The Permittee shall not paint, mark or identify any vehicle or conveyance to be operated by the Permittee pursuant to this Agreement with the words "taxi" or "taxicab" or words of similar meaning or with marking schemes or colors tending to identify such vehicles as taxicabs. Equipment assigned to the service under this Agreement will not carry exterior advertising. No vehicle utilized by the Permittee in performing services hereunder shall be moved unless and until all persons therein are seated.

Handwritten initials: A.P.P. G.T.T. and a circled signature.

7. The routes, roads and ways within the Airports over which the Permittee may operate its vehicles shall be those from time to time designated by the Port Authority. The Port Authority makes no representations as to the condition of any route, road or way, and does not agree to keep the same unobstructed, uncongested or fit for use. No closing by the Port Authority of any route, road or way, whether temporary or permanent, whether or not such closing involves a route, road or way previously used by the Permittee hereunder, and no such closing by any governmental authority, whether of a route, road or way within or outside the Airports, and whether or not at the request or with the consent of the Port Authority, shall constitute or be deemed a diminution of the privileges granted by this Agreement, or shall relieve the Permittee of any of its obligations hereunder. The Permittee shall pick up and discharge passengers or load and unload baggage and packages only at the point or points within the Airports which may be from time to time designated by the Port Authority for the public to perform such activities as well as in the public parking lots. The Port Authority assumes no obligation to designate restricted roadways and curb frontage for use by the Permittee, its drivers or vehicles.

8. (a) The Permittee shall make only fair and reasonable charges for services rendered hereunder at or in part at, or in connection with the Airports and in accordance with a schedule of rates and charges which shall be subject to the prior and continuing consent of the Port Authority. The Permittee shall charge a per vehicle rate on a flat or hourly basis for the For-Hire Service, which rate shall not differ based on the number of persons carried in the Permittee's vehicle at the same time. The Permittee shall not charge passengers on a per-head basis and shall not operate as a Shared-Ride, Scheduled or group ride service. The Permittee shall not require passengers to pay tips or gratuities in addition to the fare quoted for service. Payment of tips or gratuities by passengers to drivers or any other employee of the Permittee shall be at the discretion of the passenger.

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(b) The Port Authority will not withhold its consent to such rates and charges if they shall have been approved or determined by any board, commission or other governmental regulatory body of the United States of America or the State of New York or the State of New Jersey, provided that such regulatory body has jurisdiction and the power of final determination, and provided, further, that the approval or determination is in effect at the time in question. In the absence of any such governmental determination, the Port Authority will not withhold approval of rates and charges substantially equivalent to those made for similar services by persons or organizations rendering similar services elsewhere in any municipality in which the Airports are located. Copies of all rates and charges shall be submitted to the Port Authority within five (5) business days of a request by the Port Authority for such rates and charges. The Permittee agrees that all of its advertising for all of its services to be rendered under this Agreement shall conform to and be consistent with this Special Endorsement No. 8 and all other terms and provisions of this Agreement.

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9. The Port Authority makes no warranty or representation that unauthorized individuals offering services to the public the same or similar to those offered by the Permittee will not be present in the terminal building areas at the Airports and the Port Authority shall have no liability to the Permittee in connection therewith.

10. (a) During the term of this Agreement the Permittee shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, consultant, or other person or firm representing the Port Authority, or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing in connection with the performance by such employee, agent, consultant, other person or firm representing the Port Authority, of duties involving transactions with the Permittee on behalf of the Port Authority, whether or not such duties are related to this Agreement or any other Port Authority contract or matter. Any such conduct shall be deemed a material breach of this Agreement.

(b) As used herein "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by this Agreement or any other Port Authority contract), etc., which might tend to obligate the Port Authority employee to the Permittee, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Agreement or any other Port Authority contract.

(c) In addition, during the term of this Agreement, the Permittee shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated as of July 18, 1994 (a copy of which is available upon request to the Office of the Secretary of the Port Authority).

SPECIAL ENDORSEMENTS

- (d) The Permittee shall include the provisions of this clause in any subcontract entered into in connection with this Agreement.
11. (a) The permission granted by this Agreement shall take effect upon the effective date hereinbefore set forth. If the Port Authority at anytime during the effective period of this Agreement shall, in its sole discretion, determine to implement modifications to its Airport ground transportation business policy which, in the opinion of the Port Authority, significantly alters the relationship of the privilege granted hereunder to other aspects of the Port Authority's Airport ground transportation business policy, the Port Authority shall provide a description of such changes in a notice to the Permittee. During the thirty (30) day period following such notice, the Permittee may notify the Port Authority of the termination of this Agreement to be effective thirty (30) days after such notice to the Port Authority as if such date were the date originally set forth in this Agreement for its expiration.
- (b) If on the date of execution of this Agreement by the Port Authority the Permittee has either a Privileged Shared-Ride Service Permit from the Port Authority and such Permit expires or is terminated or revoked by the Port Authority or the Permittee, the Permittee shall have the right to terminate this Ground Transportation Agreement during the thirty (30) days following the giving of notice thereof, upon ten (10) days prior written notice to the Port Authority.
12. The Permittee shall meet or surpass the customer service standards that apply to Permittee Services which appear in the Ground Transportation section of the latest edition of the Airport Standards Manual, attached hereto as Exhibit IV and hereby made a part hereof, as the same may be revised or amended by the Port Authority.
13. (a) The Permittee shall promptly report in writing to the Manager of the Facility all accidents whatsoever arising out of or in connection with its operations hereunder and which result in death or injury to persons or damage to property, setting forth such details thereof as the Port Authority may desire.
- (b) In addition to and without limiting the other obligations of the Permittee under this Permit, the Permittee, with respect to each vehicle operated by it, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums on the following described policy or policies of insurance in not less than the following limits which shall cover its operations hereunder and shall be effective during the effective period of this Permit: If on the date of execution of this Agreement by the Port Authority the Permittee has either a Privileged Shared-Ride Service Permit from the Port Authority and such Permit expires or is terminated or revoked by the Port Authority or the Permittee, the Permittee shall have the right to terminate this Ground Transportation Agreement during the thirty (30) days following the giving of notice thereof, upon ten (10) days prior written notice to the Port Authority.

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SPECIAL ENDORSEMENTS

- (i) Comprehensive General Liability Insurance covering airport operations and covering bodily injury including wrongful death, and property damage which shall not exclude property damage to any property in the care, custody or control of the Permittee, in the minimum amount of \$2,000,000 combined single limit for each occurrence.
- (ii) Comprehensive Automobile Liability Insurance to include owned, non-owned and hired vehicles, as applicable, listing the Vehicle Identification Number (VIN) for each vehicle, covering bodily injury including wrongful death, and property damage, which shall not exclude property damage to any property in the care, custody or control of the Permittee, in the minimum amount of \$5,000,000 combined single limit for each occurrence.

(c) The Permittee shall secure as part of each said policy of insurance a contractual liability endorsement covering the obligations of the Permittee, none of the foregoing policies to contain any exclusion for bodily injury to or sickness, disease or death of any employee of the Permittee which would conflict with or in any way impair coverage on the contractual liability endorsement. The insurance required hereunder shall also provide or contain an endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action by a third person shall pertain and apply with like effect with respect to any claims or actions against the Permittee by the Port Authority, and that said protections shall also pertain and apply with respect to any claim or action against the Port Authority by the Permittee, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority by the Permittee shall be the same as the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by the third person as if the Port Authority were the named insured thereunder. Notwithstanding the minimum limits set forth herein, it is specifically understood and agreed that the Port Authority shall have the right upon notice to the Permittee given from time to time and at any time to require the Permittee to increase any or all of the said limits and the Permittee shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority. A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of the Permit by the Permittee to the Port Authority. Each policy, certificate or binder delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed, or modified without giving

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thirty (30) days written advance notice thereof to the Port Authority. Each such copy or certificate required shall contain the 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 of the provisions of any statutes respecting suits against the Port Authority.

Any renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of the policies shall be delivered to the Port Authority.

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CUSTOMER SERVICE

Airport Standards Manual

**John F. Kennedy International Airport
LaGuardia Airport
Newark Liberty International Airport
Teterboro Airport
Downtown Manhattan Heliport**

**Prepared and Published by
The Port Authority of New York & New Jersey - Aviation Department
Customer, Cargo, Concessions & Airport Services Division**

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Fourth Edition, May 2005

Mission

To plan, develop, promote, operate and maintain a unified system of regional airport facilities, providing the region with unsurpassed global access and restoring the region to its preeminent status as the nation's gateway for passengers and cargo.

Vision

- *Focus on Customer Well Being - Provide an airport environment where customers are safe and secure, yet receive quality service.*
- *Be a Model for Service, Security, Efficiency, Safety and Effectiveness.*
- *Strive for Truly Satisfied Customers and a Reputation for Inspired Leadership.*

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Introduction

Airport Standards Manual

The Airport Standards Manual (ASM) is produced by the Port Authority Aviation Department with all rights reserved. The ASM serves as the primary document outlining the customer service-related responsibilities incumbent upon employees working at Port Authority airports. The Standards concentrate on aspects of airport services and facilities that most impact customer satisfaction at Port Authority airports as determined by data gathered through customer service surveys and other feedback mechanisms. The Standards fall under three broad categories – Customer Service, Signing and Wayfinding, and Planning and Design for Terminals and Facilities. The Port Authority’s objective is to maximize utilization of the ASM as an effective customer service management tool.

Purpose

The Port Authority, in cooperation with its partners, the airlines, terminal operators and service providers, developed this edition of the Airport Standards Manual – Customer Service Standards for the benefit of all airport customers.

It is expected that the Port Authority and all employers on the airports strive to meet or exceed these standards.

This Manual defines *Customer Service Standards* and the *Performance Measurement Program* and is made available to all partners. It will continue to evolve and grow to meet the demands of our customers, through changes in operating procedures, facilities and the introduction of technology by the aviation industry and government regulations.

The Standards

These Customer Service Standards concentrate on aspects of airport services and facilities that most impact customer satisfaction at Port Authority airports as determined by data gathered through customer service surveys and other feedback mechanisms. The Port Authority’s objective is to maximize utilization of this manual as an effective customer service management tool.

Several design related standards are further defined through separate publications, such as:

- Standards referring to “Adequate” or “Sufficient” lighting shall conform to the Illuminating Engineering Society of North America (IES-NA) *Lighting Handbook, 8th Edition Section 11* as they pertain to the respective areas and activities.
- All signs shall be in conformance with the Port Authority Aviation Department *Signing and Wayfinding Standards Manual* as well as those areas addressed in this manual.
- All Terminal Planning shall be in conformance with the Port Authority Aviation Department *Planning and Design for Terminals and Facilities Standards* including recommended design guidelines for Restrooms, Check-in Areas, Gate Areas and Concessions Locations and subject

to *Tenant Alteration Application (TAA) Procedures and Standards Guide* reviews and subsequent addenda.

- All Airport Partners must adhere to the Airport Rules and Regulations.

Customer Service Standards are being implemented at Port Authority airports facilities, and are reviewed regularly against best industry practices to improve customer satisfaction. These standards have been identified through extensive consumer and industry research including customer surveys, mystery shopping, facility quality assurance reviews, focus groups and data gathered for the Port Authority.

Due to modifications, either through addition or deletion, standards numbering may be different from the previous edition. Also, this edition of the manual includes a designation at the end of each of the standards indicating whether the standard is a high or routine priority. High priority standards typically require capital intensive or long-term solutions or they may result in life-safety issues. Routine priority standards are common issues that usually relate to cleanliness, maintenance or conditional items. All standards of Employee Attitude, Appearance, Awareness and Knowledge are considered routine in nature.

Immediate Action Items

Certain aspects of the Mystery Shopping and Facility Quality Assurance Review process are deemed to be "*Immediate Action Items*", requiring immediate attention. These items include:

- **Safety and Security concerns**
- **Rudeness / indifference to customers**
- **Excessive disrepair**

If mystery shoppers/inspectors witness any of these conditions they will immediately notify the proper airport contacts. For EWR, call 973-961-6154, for JFK, call 718-244-8158 and for LGA, call 718-533-3700.

Airport Performance Measurement Program (APMP)

I. SERVICE COMMITMENT

The Airport Performance Measurement Program (APMP) provides the framework outlining the process that encourages actions and a commitment to customer service regardless of who provides the service. More specifically, the APMP is designed to:

- 1) Recognize "Satisfactory" performance by Partners who continue to improve customer satisfaction.
- 2) Provide a useful management tool to identify to Partners the areas that "Need Improvements".

- 3) Monitor actions taken to address deficiencies in a timely manner.

All airport employees are responsible for upholding the Airport Standards Manual (ASM) - Customer Service Standards and The Port Authority and its Partners are responsible for adopting these standards and implementing them within their respective service areas. It is suggested that all partners attend an annual briefing session with the Port Authority to review these standards.

Commitment to upholding the standards is essential for providing quality customer service. High levels of customer satisfaction should be the natural outcome of commitment to and compliance with the Standards. A Partner's performance is considered to be "Satisfactory" when it achieves high marks in a series of objective evaluations designed to measure performance of contractual responsibilities in light of ASM requirements.

There is, however, an important distinction between the level of customer satisfaction achieved by a Partner, and the Partner's level of commitment and compliance to the ASM. Customer satisfaction is useful in measuring the customers' perceptions about each Airport's services but does not directly evaluate a Partner's commitment, compliance, or performance. Similarly, Partner compliance is a useful measure to determine how committed a Partner is to implementing the ASM; yet this may not be reflected in the Partner's level of customer satisfaction. Where feasible, the two elements, customer satisfaction and Partner's commitment, must be measured and evaluated together to determine a Partner's true effectiveness and the effect the ASM - Customer Service Standards and the APMP have on customer service.

H. OBJECTIVES

The overall objective of the APMP is to improve the quality of service offered at Port Authority airports regardless of who provides the service. Every airport employee, whether they are Port Authority employees or Partners employees, contributes to the quality of customer service.

Where the ASM - Customer Service Standards defines good customer service, the APMP defines performance measurement and provides a management tool to recognize Satisfactory performance and to monitor actions taken to address areas in Need of Improvement. By using the ASM and the APMP together, the Port Authority and its Partners gain an understanding of their commitment necessary for quality airport customer service.

The APMP also outlines how "Scorecards" are developed and explains the method used in periodically determining each Partner's performance. The scorecard is the measure of a Partner's performance in a specific area. The scorecard may be a combination of several different measurement tools including customer satisfaction surveys, mystery shopping, and facility quality assurance reviews.

III. METHODOLOGY

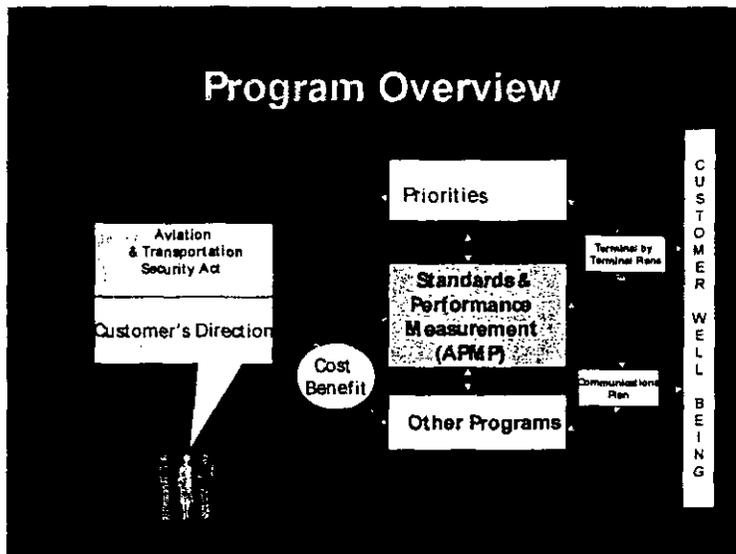
This section proposes a general framework for a quantitative strategy to:

- (1) Measure Partners' performance.
- (2) Provide an objective means for recognizing Satisfactory performance.

- (3) Monitor actions required by Port Authority staff and Partners in areas in “Need of Improvement” that will help improve performance.

Accordingly, the APMP identifies the elements that are most important to customer service and provides a recommended strategy for assessing Partners’ performance.

To begin with, **Figure 1** briefly illustrates the various steps of the Customer Well Being process used to develop the ASM Customer Service Standards and to integrate them with the APMP. There are three major components to the development of the APMP:



Figure

1. **Airport Standards Manual (ASM) Development.** The Port Authority’s objective is to maximize utilization of the ASM as an effective customer service management tool. See page 1.
2. **Port Authority Contracts and Permits.** This component encompasses the development and introduction of standard language for contracts and permits requiring the commitment of all Partners to improve customer service through several actions including but not limited to Employees Attitude, Appearance, Awareness and Knowledge, Cleanliness, Condition and Functionality of all public areas impacting a customer’s airport experience.
3. **Port Authority Leases.** All references to the “Airport Standards Manual” in the standard lease document shall be interpreted as a commitment to all components of the latest edition of the Airport Standards Manual including Customer Service Standards, Signs Standards and Passenger and Cargo Facilities Design & Planning Standards. Any new construction, terminal modifications or renovations shall be handled in accordance with existing Port Authority Tenant Alteration Application (TAA) procedures.

The APMP is a process designed to facilitate Partners’ efforts in this area and is described in more detail in the following paragraphs.

A. Monitoring Tools

The Port Authority has developed a quantitative performance measurement strategy that measures Partners performance. Limiting the data to few sources allows Port Authority staff to focus their efforts on developing and refining the questions and data collection procedures, rather than attempting to use multiple sources that employ different collection techniques and scoring methodologies. Mystery shopping, facility quality assurance reviews, and additional data collection all monitor Partners performance. The customer satisfaction survey measures customer perception of various services and facilities at each airport. These measuring tools are proactive efforts undertaken periodically to track compliance to or implementation of the ASM with the objective of improving customer service:

1. **Customer Satisfaction Survey** – The Customer Satisfaction Survey report quantifies customer evaluations regarding the quality of the facilities and services. Randomly chosen passengers are asked to rate various service area attributes on a scale of 1 to 10 (1 being “unacceptable” and 10 being “outstanding”). Passengers indicating scores of 8 and higher are considered to be “delighted or pleased.” A score is obtained by dividing the total number of passengers polled by the number of passengers who are delighted or pleased with the service.
2. **Mystery Shopping** – The mystery shopping report, **Figure 2**, summarizes the performance and quality of various operators and services at each of the airports based on selected criteria representative of all the key attributes for each Airport Standard with a focus on Employee Attitude, Appearance, Awareness and Knowledge. Each of the criteria are given a score of “0” if the service meets the Standard or “1” if it does not meet the Standard. The results are then totaled and a corresponding percentage is reported for each Partner. This is the predominant method of data collection as it provides some measure of Partner performance for all of the service standard categories.



THE PORT AUTHORITY OF NY & NJ

Mystery Shop Summary Report

Property Number: EWR-B-TO
Property Name: Newark Terminal B Operator - PA
Date of Evaluation: 3/23/2005
Previous Evaluation: 2/14/2005

**Figure 2
Mystery
Shopping
Summary**

	Standards Missed	Max to Pass	Status	Rolling Average	Previous Score	Gap to Acceptability	High	Routine
TERMINAL	27			24.00	21	13%		
CURBSIDE DEPARTURE	5			7.50	10	11%		
Overall Cleanliness/ Conditions	4			5.00				
Curbside Departure	5							
Standards of Cleanliness	1							
Standards of Condition	3							
Standards of Functionality	0							
Signs, Directions, and Information	0							
Standards of Employee Attitude, Appearance and Knowledge	1			2.50				

- Facility Quality Assurance Reports** – Facility quality assurance reports, **Figure 3**, provide summarized routine and high priority deficiencies. Based on cleanliness, condition and functionality. Each criteria are given a score of “0” if the standard is met or “1” if it does not meet the standard. Routine deficiencies are quick fixes identified with mostly cleaning or management issues while high priority deficiencies are those addressing condition and functionality and are more likely to be capital intensive and long term fixes. The high and routine deficiencies identified through facility quality assurance reviews are then totaled and distributed to all partners for follow up actions.



Facility Summary Report

Property Number: EWR-B-TO
 Property Name: Newark Terminal B Operator - PA
 Date of Evaluation: 1/14/2005
 Previous Evaluation:

**Figure 3
 Inspection
 Summary**

	Standards Missed	Max to Pass	Status	Rolling Average	Previous Score	Gap to Acceptability
TERMINAL	243			243	N/A	15%
CURBSIDE DEPARTURE	7			7	N/A	29%
Curbside Departure - Terminal B	7					
Standards of Cleanliness	2					
Standards of Condition	5					
Standards of Functionality	0					
Signs, Directions, and Information	0					

4. **Additional Data Collection and Partners' Information** – This includes working with Partners and monitoring respective action plans and collecting appropriate data such as processing or wait times where queuing or delivery normally takes place. The areas subject to data collection include but are not limited to airlines check-in, gates and speed/accuracy of baggage delivery, TSA wait time at security checkpoints, CBP wait time, US VISIT Exit process, Air Train, taxi queue, and parking lot exit wait time and queues.

Note: Some or all of the above monitoring tools may be included in specific Scorecards.

B. Setting Practical Targets

Using the above monitoring tools, performance measurement targets have been established to gauge Partner performance. Mystery shops are performed monthly and will be supplemented with periodic staff facility quality assurance reviews and data collection. These two monitoring sources

will be used to provide feedback to Partners on an as needed basis. In addition to semi-annual facility quality assurance reports, scorecards will be calculated using one or more of the following measures: the customer satisfaction survey, mystery shops, facility quality assurance reviews, or data collection.

For Port Authority contractors, the Port Authority or its designated representative may conduct random facility quality assurance reviews for cleanliness, condition and functionality based on the ASM – Customer Service Standards. Contractor performance will be evaluated based upon criteria including, but not limited to, the degree and extent to which the contractor can effectively manage the services outlined in its' Port Authority Agreement, the quality of the employee-training program and the ability to retain employees in the service at the Airport. The Port Authority shall have the right, in its sole discretion and without prior notice to the contractor, to modify the staff facility quality assurance reviews.

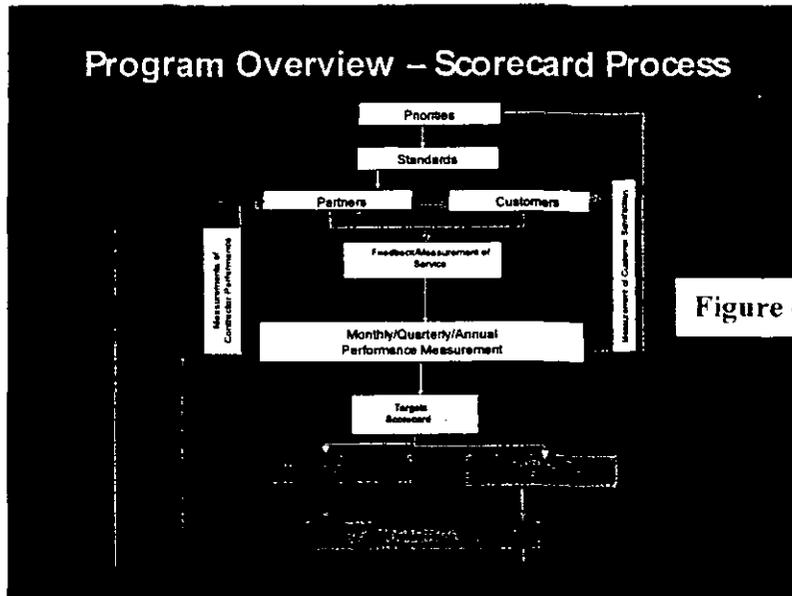
For Port Authority contractors, performance over the entire contract period will be taken into account and the final contract year will have several measurement periods. The purpose is to encourage contractors to uphold their performance as a contract nears completion; continuous periods of non-performance will be reflected in the contractor's scorecard and could be applied to future bids if contractors do not show improvement throughout the contract.

Scorecards contain an overview of the grading system and the performance targets for several areas. Performance targets have been set based on achievable scores from previous surveys, mystery shops or facility quality assurance reviews. Each Partner will be responsible for meeting or exceeding these targets regardless of whether the Partner was under contract at the time these targets were established.

The overall performance measurement strategy is based on the calculation of a total weighted score derived from the data sources described above. Using the overall weighted score, the Port Authority could provide a performance bonus for Satisfactory performance or enact actions for under-performance or areas in Need of Improvement. The measurement of performance for some areas may be based upon one or more measurement source while others may use multiple measurement sources to establish a base score.

Based on the results of the weighted score, the Partner performance shall be rated Satisfactory when targets are met or exceeded across all applicable performance measures, and a Needs Improvement rating will result when one or more performance measure does not meet the established performance target.

Figure 4 illustrates the performance measurement improvement process leading to appropriate actions when performance is rated as Satisfactory or Needs Improvement.



IV. SCORECARDS

In summary, the APMP is designed to provide the Port Authority and its partners with the framework to evaluate and encourage a commitment to service and facility improvements at the Port Authority’s airport facilities. However, this manual can also be extended to assist Partners with fostering commitment to customer service improvements through compliance with the ASM- monitoring of 3rd-party partners performance.

There are two categories of contractors – those under direct contract with the Port Authority, and those under contract with Terminal Operators and Airlines . In many cases, the Port Authority has the ability to recognize Satisfactory performance and also to take appropriate action(s) when performance is rated in Need of Improvement for its own partners. However, the Port Authority has limited recourse it can take for non-Port Authority partners.

- The following is a list of existing scorecards measuring courtesy of employees:
 - Concessions (retail, food & beverage).
 - Parking
 - Taxi Dispatch
 - On Airport Bus

- The following is a list of existing scorecards measuring cleanliness, condition and functionality of the area:

Concessions (retail, food & beverage)	Taxi Dispatch
AirTrain Stations	AirTrain Vehicles
Parking	On-Airport Bus
Gate Areas	Restrooms

A. Scorecards Descriptions & Methodology

- A Sample Needs Improvement Scorecard [Figure 5]

Performance Measurement Scorecard - Gate Area								
Central Terminal Building - LGA								
Gates	Security Lanes	Gate Sq. Ft	Avg. Mvmt. Per Day	Avg. Mvmt per Gate per Day	Annual Outbound Pax	Avg. Sq. Ft. Gate Area	Sq Ft per Avg Daily Pax	IATA Level of Service
38	12	48,000	404	11	5,468,274	1,263	3.2	F

	Customer Satisfaction	Mystery Shopping	Facility Quality Assurance
	Annual: June 2004	Condition	Routine Items
Actual Score	57	7	17
Performance Target	49-54	8	29
Specific Results	Needs Improvement	Needs Improvement	Satisfactory

Overall Progress	Needs Improvement
------------------	-------------------

To achieve an overall satisfactory performance, all targets must be met or exceeded.

Notes
* This is an interim scorecard. ONLY MYSTERY SHOPPING AND INSPECTION SCORES WILL BE A FACTOR IN THE DETERMINATION OF THE "OVERALL PROGRESS" SCORE.
* Customer Satisfaction Target is based on the average of the three airports highest departure passenger satisfaction scores but never lower than the prior target.
* Mystery Shop Target for condition is based on a rolling average of the lowest score achieved in this area at the three airports but never higher than the prior target.
* Inspection Targets are based on the average number of deficiencies per square foot of gate area. One deficiency for every 1,667 square feet is acceptable. Next targets may be lower but never higher.
* Gate and Terminal Information obtained through inspection of the facilities.
* Passenger and aircraft movement data is based on information obtained from the Strategic Analysis & External Affairs Unit of the Aviation Department.

- A sample Satisfactory scorecard [Figure 6]

Performance Measurement Scorecard - Gate Area								
Terminal B - EWR								
Gates	Security Lanes	Gate Sq. Ft	Avg. Mvmt. Per Day	Avg. Mvmt per Gate per Day	Annual Outbound Pax	Avg. Sq. Ft. Gate Area	Sq Ft per Avg Daily Pax	IATA Level of Service
25	8	81,000	164	7	3,033,763	3,240	9.7	D

	Customer Satisfaction		Mystery Shopping		Facility Inspection	
	Annual - June 2004	Timeframe	Condition	Rolling Average	High Priorities	Routine Items
Actual Score	55		4		9	36
Performance Target	49-54		5		12	48
Specific Results	Satisfactory		Satisfactory		Satisfactory Satisfactory	

Overall Progress	Satisfactory
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To achieve an overall satisfactory performance, all targets must be met or exceeded.

Notes
* Customer Satisfaction Target is based on the average of the three airports highest departure passenger satisfaction scores but never lower than the prior target.
* Mystery Shop Target for condition is based on a rolling average of the lowest score achieved in this area at the three airports but never higher than the prior target.
* Inspection Targets are based on the average number of deficiencies per square foot of gate area. One high deficiency per area square foot of gate space and one routine deficiency for every four square feet is acceptable. Best targets may be lower but never higher.
* Gate and Terminal Information obtained through inspection of the facilities.
* Passenger and aircraft movement data is based on information obtained from the Strategic Analysis & External Affairs Unit of the Aviation Department.

The scorecards are created by the Aviation Department based on the information obtained through various measurement sources. From the amalgamation of the data, targets are set and a rating assigned based on each areas' performance. Below is a description of how the targets are set for each of the measurement methods.

Customer Satisfaction Survey: The customer satisfaction survey results are produced annually, and therefore the scorecard will be updated with this information only once a year. In each functional area, the highest score from each airport is combined and averaged to set the target. A five (5)-point margin below the target is allowed and each terminal is rated on their performance relative to this target. In Figure 5, the target for the gate area is 54 percent. The gate areas in the Central Terminal Building at LGA were deemed unacceptable because their score was not within

the acceptable range, thereby receiving a classification of “needs improvement”. **Figure 6** illustrates a scorecard in which all targets have been met or exceeded and therefore performance is rated as “satisfactory”.

Mystery Shopping: Mystery Shopping is performed monthly, with each terminal being shopped once per month. The scoring of the Mystery Shopping is based on the number of standards missed in the shops. The lower number missed, the better the score. Each functional area’s score for the twelve (12)-month period preceding the issuance of the scorecard will constitute their “rolling average”. The lowest “rolling average” score in each functional area from each airport will be averaged to obtain the target scores. A five (5)-point margin will be applied to the target score. To be considered “satisfactory”, the area must fall within this range. The mystery shopping scores will be updated on each semi-annual scorecard.

Facility Quality Assurance Reports: The facility quality assurance review will be performed semi-annually. The scoring for the facility quality assurance reviews is based on the number of standards missed, however the scores are divided based on their priority into high or routine items. Much like mystery shopping, the goal is to have the lowest score possible in both categories, high or routine. Each functional area is assigned measurement criteria; for example, the gate areas and concessions use the surface area (in square feet) as a base for measurement. Taking the aggregate of all the deficiencies within a functional area across all the airports and dividing this number into the total of the respective measurement criteria calculate the facility quality assurance review score. This provides a pro-rated score that can then be applied to each terminal or location to assess their performance relative to the rest of the airports. For example, restrooms use the number of fixtures (defined as toilets and urinals) as the measurement criteria. The total number of deficiencies is summed and divided by the total number of fixtures across the airports providing a “per fixture” number of acceptable deficiencies. This score is then multiplied by the number of fixtures in a terminal to determine the target, or limit, number of deficiencies. This calculation is performed for both the high deficiencies and the routine deficiencies. The following are the measurement criteria for the areas of the scorecard:

- | | |
|-----------------------|---------------------------------|
| ▪ Restrooms - | Number of Fixtures |
| ▪ Gate Areas - | Square Feet |
| ▪ Concessions - | Square Feet |
| ▪ Taxi Dispatch - | Number of Booths |
| ▪ On-Airport Bus - | Number of Buses |
| ▪ Parking - | Number of Public Parking Spaces |
| ▪ AirTrain Stations - | Square Feet |
| ▪ AirTrain Vehicles - | Number of Vehicles |

V. OTHER SCORECARDS UNDER DEVELOPMENT FOR THE 5TH EDITION OF THE ASM-CUSTOMER SERVICE STANDARDS

The Aviation Department will work with partners to develop an acceptable approach to measure and monitor performance for the following standards that are not currently being mystery shopped, or reviewed for quality assurance or surveyed. The following new scorecards will focus on courtesy of staff, cleanliness, condition and functionality and wait times as applicable:

Standards 2.0	Curbside
Standards 3.0	Airline Ticket lobby Check-in Areas
Standards 4.0	Walkways, Corridors, Elevators & Escalators
Standards 5.0	Passenger and Baggage Screening Areas
Standards 10.0	Baggage Claim & FIS Areas
Standards 16.0	Ramp & Airside
Standards 19.0	Assistance to Passengers with Reduced Mobility (PRM)

1.0 – Employee Attitude, Appearance, Awareness and Knowledge

All airport employees are required to be courteous and helpful at all times with every customer and other employees, and keep in mind “... *people may not remember exactly what you did or what you said ... but they will always remember how you made them feel*”.

Standards of Employee Attitude, Appearance, Awareness and Knowledge

All employees will meet or exceed the following standards:

1.1 Attitude, all employees shall:

- 1.1.1 Greet all customers in a friendly and professional manner. Address customers proactively – be friendly and approachable – anticipate customer’s needs. Customers and passengers shall not have to initiate contact.
- 1.1.2 Display a positive attitude toward passengers and fellow employees at all times.
- 1.1.3 Project a pleasant, friendly and attentive demeanor and maintain proper posture at all times.
- 1.1.4 Remain calm when encountering an upset customer, try to calm the customer, listen carefully and show empathy with the customer’s problem.
- 1.1.5 Be capable of communicating clearly when in contact with customers.
- 1.1.6 Refrain from using foul or inappropriate language at any time.
- 1.1.7 Use a proper and courteous vocabulary and tone of voice with customers.
- 1.1.8 Maintain appropriate eye contact and a pleasant tone of voice while conversing with customers and fellow employees.
- 1.1.9 Make every effort to satisfy customers’ needs, even when those needs are outside the employee’s specific job scope.
- 1.1.10 Focus on customers and not gather in a group to chat while on duty.
- 1.1.11 Not eat, drink, chew gum or smoke in other than designated areas of the workplace, especially in view of customers when in uniform.

1.0 – Employee Attitude, Appearance, Awareness and Knowledge

- 1.1.12 Assure that the customers' needs are met by providing or calling for the appropriate services.
- 1.1.13 Not nap or sleep while on duty or in a public area.
- 1.1.14 Not use *personal electronic devices, including but not limited to cell phones and MP 3 players, while on duty.*

1.2 Appearance, all employees shall:

- 1.2.1 Be well groomed, clean and present a professional appearance.
- 1.2.2 Wear only appropriate accessories, as determined by your employer, while on duty.
- 1.2.3 Wear *nametags and/or official identification that is visible to the public at all times.*
- 1.2.4 Wear clean, neat and pressed uniforms while on duty.
- 1.2.5 When speaking to customers, remove sunglasses (unless medically required otherwise) to facilitate eye contact. Sunglasses may only be worn outdoors and during daylight hours.

1.3 Awareness, all employees shall:

- 1.3.1 Be obligated to challenge persons and to report suspicious items and/or activity.
- 1.3.2 Inspect their vehicles regularly for suspicious items while operating on the AOA.
- 1.3.3 Be aware that all service vehicle operators ensure that unattended vehicles are locked and shall inspect the vehicle each time it has been left unattended.
- 1.3.4 Ensure that all catering company's unattended vehicles are locked and that catering supplies intended for carriage on passenger flights are only accessible to catering employees.

1.0 – Employee Attitude, Appearance, Awareness and Knowledge

- 1.3.5 Ensure that all AOA doors and gates are closed properly after each use.
- 1.3.6 Not allow persons to follow them through an AOA door or gate. Each individual must swipe their airport-issued identification card each time they enter the AOA or SIDA.
- 1.3.7 Not write AOA or SIDA access codes on identification cards, and employees shall enter codes in a secure manner not visible to the public.
- 1.3.8 Airline employees shall not accept consignments of cargo, courier and express parcels or mail for carriage on passenger flights unless the security of such consignments is accounted for.
- 1.3.9 Report unattended or suspicious items and/or activity to Port Authority Police or other law enforcement personnel.

1.4 Knowledge, all employees shall:

- 1.4.1 Be well informed, capable of providing directions and know where and how to obtain requested information or services for customers.
- 1.4.2 Convey accurate information using clear and understandable terms.
- 1.4.3 Obtain the facts when encountering a dissatisfied customer; state any applicable policy clearly and politely; and be able to offer a solution or an adequate alternative to the customer. If unable to satisfy the customer or resolve the issue, direct the customer to immediate supervisor.
- 1.4.4 Know where and how to obtain assistance to resolve customers' questions or problems if language barrier arise.
- 1.4.5 Know where and how to obtain assistance in order to respond to medical emergencies and operational disruptions as referred to in Standard 20.0 (Orderly Evacuation and Resumption of Services)
- 1.4.6 Know where and how to obtain assistance in order to respond to medical emergencies including those relating to Passengers with Reduced Mobility being assisted.

2.0 – Curbside

Curbside General Requirements

- a) Baggage carts shall be readily available at all cart racks at all times. {H}
- b) Smoking receptacles shall be readily available on the curbside. {R}
- c) Skycap service shall be readily available. {R}

2.1 *Standards of Cleanliness*

- 2.1.1 All frontages, sidewalks and crosswalks shall be clean and free of debris including gum and cigarettes. {R}
- 2.1.2 Entrance and exit doors shall be clean free of smudges, dirt and grime. {R}
- 2.1.3 All glass shall be clean and free of streaks and smudges. {R}
- 2.1.4 Trash receptacles shall be clean and emptied to prevent the overflow of debris. {R}
- 2.1.5 Awnings or canopies, where present, shall be clean at all times. {R}
- 2.1.6 Walls shall be clean and free of graffiti. {R}
- 2.1.7 Curbside check-in counters and self-service check-in kiosks shall appear clean and organized, uncluttered and without visible damage. {R}
- 2.1.8 Light fixtures and assemblies shall be clean and free of dust. {R}
- 2.1.9 Smoking receptacles shall be clean and emptied on a regular basis. {R}

2.2 *Standards of Condition*

- 2.2.1 All frontages, sidewalks and crosswalks shall be smooth and free of large cracks and missing surface areas. {H}
- 2.2.2 Entrance and exit doors shall be maintained in good working order. {R}
- 2.2.3 All glass shall be in good condition with no visible damage. {R}

2.0 - Curbside

- 2.2.4 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}
- 2.2.5 Smoking receptacles shall be in good condition, without dents, marks or peeling paint. {R}
- 2.2.6 Awnings or canopies, where present, shall be in good condition, free of rips and tears. {R}
- 2.2.7 Walls shall be free of scratches, marks and scuffs. {R}
- 2.2.8 Curbside check-in counters and self-service check-in kiosks shall be in good condition, free of dents, marks and scuffs. {R}
- 2.2.9 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced with no visible broken parts. {R}
- 2.2.10 Snow and ice shall be removed from walkways and roadways. {H}
- 2.2.11 Roadways shall be well maintained and free of potholes. {R}

2.3 *Standards of Functionality*

- 2.3.1 Unattended and unofficial parked vehicles shall not be present at frontages. Illegally parked vehicles will be ticketed, and towed at the owner's expense. {H}
- 2.3.2 Unattended baggage carts shall be returned to dispenser racks promptly and not allowed to collect in an unsightly manner. {R}
- 2.3.3 Public address systems shall be clear and audible. {R}
- 2.3.4 All lighting shall conform to Illuminating Engineering Society of North America (IES) standards for this area and application. {H}
- 2.3.5 All doors shall operate properly. {R}

2.0 - Curbside

2.4 *Signs, Directions, and Information*

- 2.4.1 Directional signs shall be visible, legible and accurate. {R}
- 2.4.2 Signs shall clearly indicate the location of services. {R}
- 2.4.3 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}
- 2.4.4 Airline names shall be posted at drop-off and, when practical, pick-up locations. {R}
- 2.4.5 Appropriate directional signs shall be visible at every decision point. {R}

3.0 – Airline Check-in Areas

Airline Check-In Area General Requirements

- a) Minimum seating shall be provided in adjacent area for Passengers with Reduced Mobility. {R}
- b) Trash receptacles shall be available in the airline check-in areas. {R}

3.1 Standards of Cleanliness

- 3.1.1 Counters and kiosks shall be clean and free of graffiti. {R}
- 3.1.2 Workspaces shall always appear uncluttered and organized. {R}
- 3.1.3 Seating shall be clean and free of stains. {R}
- 3.1.4 Windowsills shall be free of dust and debris. {R}
- 3.1.5 Windows shall be free of streaks and smudges. {R}
- 3.1.6 Wastebaskets shall be clean and not overflowing. {R}
- 3.1.7 Walls shall have a clean appearance, free of dirt and marks. {R}
- 3.1.8 Carpet and floors shall be free of debris and stains and shall appear clean. {R}
- 3.1.9 Floors shall be dry, free from spills and water. {H}
- 3.1.10 Ceilings shall be clean and free of dust. {R}
- 3.1.11 Light fixtures and assemblies shall be clean and free of dust. {R}
- 3.1.12 Telephones and telephone areas shall be clean and free of debris. {R}
- 3.1.13 Heating and air conditioning units shall be clean and free of dust. {R}
- 3.1.14 Stanchions, ropes and “tensa barriers” shall be clean and free of dust, tape and smudges. {R}

3.0 – Airline Check-in Areas

3.2 *Standards of Condition*

- 3.2.1 Counters and kiosks shall be well maintained and in good repair. {R}
- 3.2.2 Workspaces shall be in good condition, free of dents, marks, scratches and scuffs. {R}
- 3.2.3 Seating shall be free of rips, tears, stains and broken parts. {R}
- 3.2.4 Windowsills shall be in good condition, free of broken parts and marks. {R}
- 3.2.5 All windows shall be in good condition with no visible damage, chips or marks. {R}
- 3.2.6 Wastebaskets shall be in good condition, with no visible damage. {R}
- 3.2.7 Walls shall be in good condition, with no dents, chips, marks or scuffs. {R}
- 3.2.8 Carpets shall be free of holes; rips, worn or frayed areas and flooring shall be free of large cracks, gouges and broken pieces. {H}
- 3.2.9 Ceilings shall be in good condition, even across the ceiling and free of visible damage. {R}
- 3.2.10 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced with no visible broken parts. {R}
- 3.2.11 All telephones and telephone areas shall be in good condition, with no visible damage. {R}
- 3.2.12 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers, and not allowed to collect in an unsightly manner. {R}
- 3.2.13 Heating and air conditioning units shall be in good working condition. {R}
- 3.2.14 Stanchions, ropes and, “tensa barriers” shall be well maintained and in good repair. {R}
- 3.2.15 Employees’ personal belongings shall not be visible to customers. {R}

3.0 – Airline Check-in Areas

3.3 *Standards of Functionality*

- 3.3.1 Flight Information Display System (FIDS) monitors shall be provided, and be in working order. {R}
- 3.3.2 Telephones shall be in working order. {R}
- 3.3.3 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Terminal Ticket Counter – 45-foot candles.** {R}
- 3.3.4 Stanchions, ropes, “tensa barriers” shall be arranged in a neat and orderly fashion and not stored in public view. {R}

3.4 *Signs, Directions, and Information*

- 3.4.1 Clear, visible and accurate signing shall be placed at key decision points and must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 3.4.2 Flight Information Display System (FIDS) monitors shall be clear, visible and accurate. All flights, regardless of airline, shall be shown on the FIDS for that terminal. {R}
- 3.4.3 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Sign Standards. {R}

4.0 – Walkways/Corridors/Elevators/Escalators

4.1 *Standards of Cleanliness*

- 4.1.1 Carpet and floors shall be free of debris and stains and appear clean. {R}
- 4.1.2 Floors shall be dry, free of spills or water. {H}
- 4.1.3 Ceilings shall be clean and free of dust. {R}
- 4.1.4 Light fixtures and assemblies shall be clean and free of dust. {R}
- 4.1.5 Pictures, frames and advertising along walkways and corridors shall be clean and dust free. {R}
- 4.1.6 Elevator interiors and floors shall be clean and free of debris and graffiti. {R}
- 4.1.7 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}
- 4.1.8 Heating and air conditioning units shall be clean and dust free. {R}

4.2 *Standards of Condition*

- 4.2.1 Carpets shall be free of holes, rips, worn or frayed areas and flooring shall be free of large cracks, gouges and broken pieces. {H}
- 4.2.2 Ceilings shall be in good condition, even across the ceiling and free of visible damage. {R}
- 4.2.3 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced with no visible broken parts. {H}
- 4.2.4 Pictures, frames and advertising shall be in good condition, free of tears, scratches, graffiti and other marks. {R}
- 4.2.5 Elevators, escalators and moving walkways shall be in working condition. All routine and preventive maintenance shall be scheduled to minimize passenger inconvenience. {H}
- 4.2.6 Elevator button lights and switches shall be in good condition. {R}
- 4.2.7 Each elevator emergency phone or communication device shall be in working condition. {R}

4.0 – Walkways/Corridors/Elevators/Escalators

- 4.2.8 Corridors and walkways shall be free of obstructions. {R}
- 4.2.9 Heating and air conditioning units shall be in working order. {R}
- 4.2.10 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

4.3 *Standards of Functionality*

- 4.3.1 All monitors, including Flight Information Display Systems (FIDS), shall be in working order. {R}
- 4.3.2 Elevator button lights and switches shall be operational. {R}
- 4.3.3 Public address system shall be in working order and audible from all areas. {H}
- 4.3.4 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Elevators – 30 foot-candles; Corridors/Walkways – 15 foot-candles.** {H} -
- 4.3.5 In cases of two-way passenger flow where more than one escalator exists and one escalator is inoperative, the operative escalator shall be in the ascending direction. {R}

4.4 *Signs, Directions, and Information*

- 4.4.1 All elevator buttons, internal and external, shall be clearly marked and indicate appropriate services (e.g. Ticketing, Baggage Claim, Parking). {R}
- 4.4.2 Appropriate directional signing shall be visible at every decision point and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 4.4.3 When elevators, escalators and walkways are being repaired, appropriate signs shall advise customers of other means of access in closest proximity. {R}
- 4.4.4 All monitors, including Flight Information Display Systems (FIDS), shall be clear, visible with accurate information. {R}
- 4.4.5 Handwritten signs shall not be used and temporary signs must be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

5.0 – Passenger and Baggage Screening Areas

5.1 Standards of Cleanliness

- 5.1.1 Carpet and floors surrounding baggage and passenger screening areas shall be free of debris and stains and shall appear clean. {R}
- 5.1.2 Baggage and Passenger screening equipment shall be clean, uncluttered and free of debris and baggage tape. {R}
- 5.1.3 All furnishings, including but not limited to, bins, tables, chairs, floor mats and private screening areas, shall be clean, uncluttered, free of debris and baggage tape. {R}
- 5.1.4 Walls and partitions shall have a clean appearance, free of dirt and marks. {R}
- 5.1.5 Ceilings shall be clean and free of dust. {R}

5.2 Standards of Condition

- 5.2.1 Floors shall be free of large cracks, gouges and excessively worn areas. {R}
- 5.2.2 Carpets shall be free of holes, rips and worn or frayed areas. {R}
- 5.2.3 All baggage and passenger equipment shall be in good condition, free of marks, scuffs and broken pieces. {H}
- 5.2.4 All furnishings, including but not limited to, tables, chairs, bins etc, shall be in good condition with no deep scratches, gouges, graffiti or broken pieces. {R}
- 5.2.5 Walls, columns and partitions shall be free of large cracks, holes and graffiti. {R}
- 5.2.6 Ceilings shall be free from stains and broken tiles. {R}
- 5.2.7 Sign frames, holders and stands shall be in good condition. {R}
- 5.2.8 Stanchions, ropes and “tensa barriers” shall be well maintained and in good repair. {R}
- 5.2.9 Employee’s personal belongings shall not be visible to customers. {R}

5.0 – Passenger and Baggage Screening Areas

5.3 Standards of Functionality

- 5.3.1 All equipment, including but not limited to, baggage conveyers, magnetometers, wands, x-ray machines and all other passenger and baggage screening areas machinery and aids shall be maintained and in working order. {H}
- 5.3.2 Queue time at the passenger screening areas shall not exceed ten (10) minutes. {H}
- 5.3.3 Queue time at the baggage screening areas shall not exceed ten 10 minutes. {H}
- 5.3.4 Stanchions, ropes and “tensa barriers” shall be arranged in a neat and orderly fashion and not stored in public view. {R}

5.4 Signs, Directions, and Information

- 5.4.1 Internal notices shall not be displayed in public areas. {R}
- 5.4.2 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 5.4.3 Clear, visible and accurate signing shall be placed at key decision points and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 5.4.4 Only approved regulatory signs shall be used. {R}

6.0 - Restrooms

General Requirements

- a) Restrooms shall have sinks with soap dispensers. {R}
- b) Female restrooms shall be equipped with sanitary dispensers and sanitary trash receptacles. {R}
- c) All restrooms shall have sanitary seat covers available. {R}
- d) All stall doors must have door locks or latches. {H}
- e) All stalls shall be equipped with a clothes hook or a pocketbook holder. {R}
- f) All restrooms shall be equipped with an appropriate number of trash receptacles. {R}
- g) Paper products shall be provided in adequate supply to meet peak traffic flow. {H}

6.1 Standards of Cleanliness

- 6.1.1 Floors shall be free of debris and stains and appear clean. {R}
- 6.1.2 Floors shall be dry, free of spills or water. {H}
- 6.1.3 Unpleasant odors shall not be detected. {R}
- 6.1.4 Mirrors shall be free of streaks, smudges and watermarks. {R}
- 6.1.5 Sinks shall be clean, and faucets shall have a polished appearance. {R}
- 6.1.6 Entranceways and doors shall be clean and free of debris. {R}
- 6.1.7 Paper towel holders and/or automatic hand dryers shall be clean. {R}
- 6.1.8 Urinals shall be clean and free of debris. {R}
- 6.1.9 Tiles and walls shall be clean. {R}
- 6.1.10 Soap dispensers shall be clean and free of soap scum. {R}

6.0 - Restrooms

- 6.1.11 Toilets and toilet bowls, including the rim, base, seat, cover, chrome fixtures and hinges shall have a polished appearance. {R}
- 6.1.12 Light fixtures and assemblies shall be clean and free of dust. {R}
- 6.1.13 Sanitary dispensers shall be clean. {R}
- 6.1.14 Trash and sanitary receptacles shall be clean, not overflowing and odor free. {R}
- 6.1.15 Baby changing stations shall be clean. {R}
- 6.1.16 Walls and doors of toilet and toilet stalls shall be clean. {R}
- 6.1.17 Ceilings shall be clean and free of dust. {R}
- 6.1.18 Countertops shall be clean and free of debris and be dry. {R}

6.2 *Standards of Condition*

- 6.2.1 Floor tiles shall not be broken, missing or stained or have gouges and grout shall be free of missing pieces and discoloration. {R}
- 6.2.2 Mirrors shall be in good condition, free of scratches, marks, de-silvering, cracks and broken pieces. {R}
- 6.2.3 Sinks shall be in good condition, free of scratches, stains and broken pieces. {R}
- 6.2.4 Entranceways and doors shall be in good condition, free of scratches, dents, marks and scuffs. {R}
- 6.2.5 Paper towel holders and/or automatic hand dryers shall be in good condition, free of marks, scratches, rust and broken pieces. {R}
- 6.2.6 Urinals shall be in good condition, free of chips, marks and broken pieces. {R}
- 6.2.7 Wall tiles shall be in good condition, free of chips, marks and broken pieces and grout shall be free of missing pieces and discoloration. {R}
- 6.2.8 Soap dispensers shall be in good condition. {R}

6.0 - Restrooms

- 6.2.9 Toilets and toilet bowls, including the rim, base, seat, cover, chrome fixtures and hinges shall be in good condition with no broken pieces. {R}
- 6.2.10 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced and no visible broken parts. {R}
- 6.2.11 Sanitary dispensers shall be in good condition, free of marks, scratches and broken pieces. {R}
- 6.2.12 Trash and sanitary receptacles shall be in good condition. {R}
- 6.2.13 Baby changing station shall be in good condition, with all necessary parts and free of marks, scratches and scuffs. {R}
- 6.2.14 Walls and doors of toilet and toilet stalls shall be free of graffiti, scratches and peeling paint. {R}
- 6.2.15 Ceilings shall be free of cracks and stains. {R}
- 6.2.16 Countertops shall be in good condition with no scratches, cuts, gouges or marks. {R}
- 6.2.17 All caulking joints between fixtures and wall or floor shall be fully filled without gaps. {R}
- 6.3 *Standards of Functionality*
- 6.3.1 Public address system shall be clear and audible in the restroom areas. {H}
- 6.3.2 Cleaning supplies and equipment shall be stored out of customers' view when not in use and doors to closets kept closed. {H}
- 6.3.3 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Restrooms – 23 foot-candles**. {H}
- 6.3.4 Automatic hand dryers and paper towel dispensers shall be in working order. {H}
- 6.3.5 Toilets and urinals shall be in working order. {H}
- 6.3.6 Door locks and latches shall be in working order. {H}

6.0 - Restrooms

- 6.3.7 Sink drains and faucets shall be in working order. {R}
- 6.3.8 Baby changing stations shall be in working order. {H}
- 6.3.9 Sanitary dispensers shall be filled and in working order. {R}
- 6.3.10 Soap dispensers shall be in working order and have soap available. {R}
- 6.3.11 Unpleasant odors shall not be detected. {R}

6.4 *Signs, Directions, and Information*

- 6.4.1 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}
- 6.4.2 Restroom identifiers (Men/Ladies/Families) shall be clear and visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 6.4.3 When restrooms are being cleaned, or are closed for any reason, appropriate signing shall advise customers of other restrooms in close proximity. {R}

7.0 – Gate Areas

General Requirements

- a) Telephones shall be available in the gate area. {R}
- b) Seating shall be consistent with Port Authority Aviation Terminal Planning Standards. {R}
- c) Public address system shall be available in every gate area. {R}
- d) Flight Information Display Systems shall be available in or around the gate areas. {R}

7.1 Standards of Cleanliness

- 7.1.1 Seating shall be clean and free of debris and stains. {R}
- 7.1.2 Windowsills shall be free of dust and debris. {R}
- 7.1.3 Windows shall be clean and free of streaks and smudges. {R}
- 7.1.4 Trash receptacles shall be clean and not overflowing. {R}
- 7.1.5 Walls and columns shall have a clean appearance free of dirt and marks. {R}
- 7.1.6 Carpet and floors shall be free of debris and stains and shall appear clean. {R}
- 7.1.7 Floors shall be dry, free of spills or water. {H}
- 7.1.8 Ceilings shall be clean and free of dust. {R}
- 7.1.9 Light fixtures and assemblies shall be clean and free of dust. {R}
- 7.1.10 Telephones and telephone areas shall be clean and be free of debris. {R}
- 7.1.11 Heating and air conditioning units shall be clean and dust free. {R}
- 7.1.12 Stanchions, ropes and “tensa barriers” shall be clean and free of dust, tape and smudges. {R}

7.0 – Gate Areas

- 7.1.13 Counters/podiums and kiosks shall be clean and free of debris. {R}
- 7.1.14 Advertising and display areas shall be clean and free of debris. {R}
- 7.2 *Standards of Condition***
- 7.2.1 Seating shall be free of rips, tears and broken parts. {R}
- 7.2.2 Windowsills shall be in good condition, with no marks, scratches or broken pieces. {R}
- 7.2.3 Windows shall be in good condition, free of scratches or marks. {R}
- 7.2.4 Trash receptacles shall be in good working condition, without dents, marks, or peeling paint. {R}
- 7.2.5 Walls and columns shall be in good condition, without marks, scuffs, dents or gouges. {R}
- 7.2.6 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks and broken pieces. {H}
- 7.2.7 Ceilings shall be in good condition, even across the ceiling and free of visible damage. {R}
- 7.2.8 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced and no visible broken parts. {R}
- 7.2.9 Telephone and telephone areas shall be in good condition, with no broken pieces. {R}
- 7.2.10 Heating and air conditioning units shall be in good working condition. {R}
- 7.2.11 Stanchions, ropes and “tensa-barriers” shall be in good working condition, with no visible damage or broken parts. {R}
- 7.2.12 Counters/podiums and kiosks shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}
- 7.2.13 Advertising and display areas shall be in good repair and shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

7.0 – Gate Areas

7.2.14 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

7.3 *Standards of Functionality*

7.3.1 The Public Address System shall be clear and audible at all times. {H}

7.3.2 Seating shall be consistent with Port Authority Aviation Terminal Planning Standards. {R}

7.3.3 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Gate Areas – 38 foot-candles**. {H}

7.3.4 Flight Information Display System (FIDS) monitors shall be clear, visible, accurate and in working order. {R}

7.3.5 Telephones shall be in working order. {R}

7.3.6 Television monitors shall be clear, visible and in good working condition. {R}

7.3.7 In the event of delays, cancellations or diversions, Standard 17.0 will apply. {H}

7.4 *Signs, Directions, and Information*

7.4.1 Signing shall be visible and adequate to direct customers to all services. {R}

7.4.2 Handwritten signs shall not be used and temporary signs must be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

8.0 – Retail Services

8.1 *Standards of Cleanliness*

- 8.1.1 All public areas in the retail space shall be clean, well maintained and free of unpleasant odors. {R}
- 8.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. {R}
- 8.1.3 Entrance doors and frames shall be free of smudges, dirt and grime. {R}
- 8.1.4 Glass windows and display cases shall be clean. {R}
- 8.1.5 Light fixtures and assemblies shall be clean and free of dust. {R}
- 8.1.6 All walls and columns shall be clean. {R}
- 8.1.7 Ceilings shall be clean and free of dust. {R}
- 8.1.8 Sales and cashier areas shall appear neat, organized and clean. {R}
- 8.1.9 Heating and air conditioning units and vents shall be clean. {R}

8.2 *Standards of Condition*

- 8.2.1 Carpets shall be free of holes, rips and worn or frayed areas. {R}
- 8.2.2 Floors shall be free of large cracks, gouges and excessively worn areas. {R}
- 8.2.3 Entrance doors and frames shall be in good condition, free of marks, scratches or any visible damage. {R}
- 8.2.4 Security grille/shutters and/or roll gates shall be without defect when deployed or otherwise kept out of sight. {R}
- 8.2.5 Furniture, display cases, shelving and fixtures shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}
- 8.2.6 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced, with no visible broken parts. {R}
- 8.2.7 Walls and columns shall be free of large cracks, holes and graffiti. {R}

8.0 – Retail Services

- 8.2.8 Apparel and accessories shall be neatly folded or hung in the appropriate area. {R}
- 8.2.9 All displays and racks shall be arranged so as to permit free movement by customers with carry-on baggage. {R}
- 8.2.10 Stock shall be stored out of view of customers whenever possible. {R}
- 8.2.11 Ceilings shall not be stained or have any broken tiles. {R}
- 8.2.12 Employees' personal belongings shall not be visible to customers. {R}
- 8.2.13 Heating and air conditioning units shall be in good working order. {R}
- 8.2.14 Packaging, shipping materials and delivery carts shall be removed promptly from all public areas. {R}
- 8.3 *Standards of Functionality*
- 8.3.1 In the event of flight delays, essential services should remain open for passengers in the terminal after normal business hours. {H}
- 8.3.2 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Retail – 72 foot-candles.** {H}
- 8.3.3 Public Address System (PAS) and music system shall be in a clear and audible working condition with appropriately set volume level. {H}
- 8.3.4 All entrances to establishments shall be kept clear of merchandise and sales/advertising stanchions. {R}
- 8.3.5 Television monitors shall be clear, visible and in good working condition. {R}
- 8.4 *Signs, Directions, and Information*
- 8.4.1 Store policies regarding credit cards, returns/refunds, etc. shall be clearly displayed. {R}
- 8.4.2 Operators whose lease agreement require, shall prominently display “Street Pricing” signing. {R}

8.0 – Retail Services

- 8.4.3 A telephone number shall be visible so customers can call with complaints or compliments. {R}
- 8.4.4 Hours of operations shall be displayed and fully observed. {R}
- 8.4.5 Appropriate signing shall be visible, and clearly direct customers to all retail facilities. {R}
- 8.4.6 Handwritten signs shall not be used and temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}
- 8.4.7 Illuminated signs are in proper working condition. Flashing or blinking signs shall not be used, and the use of red LED (Light Emitting Diode) signs is discouraged. Red LED signs shall not be used in all new installations. {R}
- 8.4.8 Retail areas under construction shall be provided with professional signs on barricades with an “opening date” whenever possible, and may include a rendering of the new facility. Signing shall be updated as necessary. {R}
- 8.4.9 When a retail outlet is closed, appropriate signs shall be posted advising customers of the nearest, operating retail outlet. {R}
- 8.4.10 There shall be no unauthorized postings. {R}
- 8.4.11 All retail outlets offering sale of Metro Cards shall have appropriate signing. {R}

8.5 Standards of Retail Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance, Awareness and Knowledge as outlined in Standard 1.0.

- 8.5.1 Employees shall be able to direct customers to other outlets if item is not available in their shop. {R}
- 8.5.2 Employees shall always provide customers with a receipt and a “thank you”. {R}
- 8.5.3 Employees shall always give correct change. {R}
- 8.5.4 Employees shall make every effort to make change for customers or direct customers to nearest change machine, i.e. for telephone calls. {R}

8.0 – Retail Services

- 8.5.5 All shops shall have sufficient cash available immediately upon opening to make change for early morning sales. {R}
- 8.5.6 Any complaints shall be dealt with promptly and records maintained. {R}
- 8.5.7 Employees shall have appropriate knowledge of items being sold. {R}
- 8.5.8 Employees shall not use personal electronic devices, including but not limited to cell phones and MP3 players. The only musical audible to customers shall be provided by the audio system. {R}
- 8.6 *Standards of Product*
- 8.6.1 All items shall be sold at “Street Prices” as defined in the lease/permit. {R}
- 8.6.2 Merchandise shall be attractively displayed. {R}
- 8.6.3 Terminal Operators shall ensure that concessionaires provide a variety of items that meet customers’ needs, both before and after security, including: reading materials (selection of periodicals and books), candy and snacks, health and beauty items, travel and business supplies, discretionary items such as local gifts, souvenirs and toys, and other sundries. {R}
- 8.6.4 Damaged merchandise shall be removed from display areas immediately. {R}
- 8.6.5 Displays shall be maintained to provide an uncluttered appearance. {R}
- 8.6.6 All prices shall be clearly displayed. {H}
- 8.6.7 Customer comment cards shall be readily available. {R}
- 8.6.8 No items shall remain on shelves past expiration dates. {R}
- 8.6.9 Merchandise shall be stocked in quantities sufficient for normal customer traffic. {R}
- 8.6.10 Merchandise shall be delivered to shops in appropriate carts and at non-peak periods or during off-hours whenever possible. {H}

9.0 – Food & Beverage

9.1 *Standards of Cleanliness*

- 9.1.1 All areas in the establishment shall be clean and well maintained. {R}
- 9.1.2 Debris shall be removed from tables and counters within two minutes. {R}
- 9.1.3 Area shall be free of unpleasant odors. {R}
- 9.1.4 Carpet and floors shall be free of debris and stains and shall appear clean. {R}
- 9.1.5 Entrance doors and frames shall be free of smudges, dirt and grime. {R}
- 9.1.6 Ceilings shall be clean and free of dust. {R}
- 9.1.7 Glass windows and display cases shall be clean. {R}
- 9.1.8 All food used for display purposes shall be changed regularly. {R}
- 9.1.9 Sales and cashier areas shall appear organized and clean. {R}
- 9.1.10 Tray slides shall be clean. {R}
- 9.1.11 Trays shall be washed, not just wiped. {R}
- 9.1.12 Light fixtures and assemblies shall be clean and free of dust. {R}
- 9.1.13 Exhaust hoods, ducts, fans and filters shall be clean and appropriately maintained. {R}
- 9.1.14 All visible cooking equipment shall be clean. {R}
- 9.1.15 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}
- 9.1.16 Heating and air conditioning units and vents shall be clean. {H}

9.2 *Standards of Condition*

- 9.2.1 Carpets shall be free from holes, rips and worn or frayed areas. {R}
- 9.2.2 Floors shall be free of large cracks, gouges and excessively worn areas. {R}

9.0 – Food & Beverage

- 9.2.3 Entrance doors and frames shall be in good condition, free of marks, scratches or any visible damage. {R}
- 9.2.4 All tables, chairs, booths, display cases, and fixtures shall be in good condition with no deep scratches, gouges, graffiti or broken pieces. {R}
- 9.2.5 All visible cooking equipment shall be well maintained and in good working order. {R}
- 9.2.6 Ceilings shall be free of stains and broken tiles. {R}
- 9.2.7 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced, with no broken visible parts. {R}
- 9.2.8 Packaging, shipping materials and delivery carts shall be removed from all public areas. {R}
- 9.2.9 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}
- 9.2.10 Trash receptacles shall be clean and in good condition, without dents, marks or peeling paint. {R}
- 9.2.11 Employees' personal belongings shall not be visible to customers. {R}
- 9.2.12 Heating and air-conditioning units shall be in good condition, free of any visible damage. {R}

- 9.3 *Standards of Functionality*
- 9.3.1 In the event of flight delays or cancellations, hours of operations shall be extended to accommodate passengers. {H}
- 9.3.2 All lighting shall meet and conform to the Illuminating Engineering Society of North America (IES) standards: **Dining Area – 23 foot-candles.** {H}
- 9.3.3 Public Address System and music system shall be clear and audible with appropriately set volume level. {H}
- 9.3.4 All entrances to establishments shall be clear of merchandise and sales/advertising stanchions and not obstruct entrance. {R}

9.0 – Food & Beverage

9.3.5 Heating and air conditioning units shall be in working order. {R}

9.4 *Signs, Directions, and Information*

9.4.1 Store policies regarding credit cards shall be clearly displayed. {R}

9.4.2 Operators, whose lease agreement requires street pricing, shall prominently display “Street Pricing” signing. {R}

9.4.3 Operators shall clearly display a telephone number for customer complaints or compliments. {R}

9.4.4 Hours of operations shall be displayed and fully observed. {R}

9.4.5 Appropriate signing shall be visible to direct customers to all food and beverage facilities. {R}

9.4.6 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

9.4.7 Illuminated signs shall be in proper working condition. Flashing or blinking signs shall not be used, and the use of red LED (Light Emitting Diode) signs is discouraged. Red LED signs shall not be used in new installations. {R}

9.4.8 Food and Beverage areas under construction shall be provided with professional signs on barricades with an “opening date” whenever possible and may include a rendering of the new facility. Signing shall be updated as necessary. {R}

9.4.9 When food and beverage facilities are closed, appropriate signs shall be posted advising customers of the nearest, operating facilities. {R}

9.4.10 There shall be no unauthorized postings. {R}

9.5 *Standards of Food and Beverage Employees*

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge as outlined in Standard 1.0.

9.5.1 Employees shall be able to direct customers to other outlets if an item is not available in their shop. {R}

9.0 – Food & Beverage

- 9.5.2 Employees shall always provide customers with a receipt and a ‘thank you.’ {R}
- 9.5.3 Employees shall always give correct change. {R}
- 9.5.4 Employees shall make every effort to make change for customers, i.e. for telephone calls. {R}
- 9.5.5 Employees shall not use personal electronic devices, including but not limited to cell phones and MP3 players. The only music audible to customers shall be provided by the unit audio system. {R}
- 9.5.6 All shops shall have sufficient cash available immediately upon opening to make change for early morning sales. {R}
- 9.5.7 Any complaints shall be dealt with promptly and records maintained. {R}

9.6 *Standards of Product*

- 9.6.1 Terminal Operators shall ensure that concessionaires provide a variety of menu items that meet customers’ needs, both before and after security, including: hot and cold menu items for breakfast, lunch and dinner; hot and cold beverages (non-alcoholic and alcoholic); quick serve meals to go; sit down restaurant facilities; and a selection of healthy dishes (low fat, salads, etc.). {R}
- 9.6.2 Menus shall be well designed, clean and display the correct prices. {R}
- 9.6.3 All items shall be sold at “Street Prices” as defined in the lease/permit. {R}
- 9.6.4 No items shall remain on shelves past expiration dates/times. {H}
- 9.6.5 Operators shall make every attempt to ensure that all menu items are available. {R}
- 9.6.6 Hot food shall be delivered hot; cold food shall be delivered cold. {R}
- 9.6.7 Clean trays shall be available. {R}
- 9.6.8 Customer comment cards shall be readily available. {R}
- 9.6.9 Merchandise shall be delivered, whenever possible, to food and beverage areas in appropriate carts and at non-peak periods or during off-hours. {H}

10.0 – Baggage Claim

General Requirements

- a) Baggage carts shall be readily available at all cart racks at all times. {H}
- b) Public Address System (PAS) shall be available. {H}

10.1 Standards of Cleanliness

- 10.1.1 Baggage carousels shall be wiped clean and be free of debris. {R}
- 10.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. {R}
- 10.1.3 Trash receptacles shall be clean and not overflowing with debris. {R}
- 10.1.4 Heating and air conditioning units shall be clean and free of dust. {R}
- 10.1.5 Ceilings shall be clean and free of dust. {R}
- 10.1.6 Light fixtures and assemblies shall be clean and free of dust. {R}
- 10.1.7 Seating shall be clean and free of stains. {R}
- 10.1.8 Windowsills shall be free of dust and debris. {R}
- 10.1.9 Windows shall be clean and free of streaks and smudges. {R}
- 10.1.10 Walls and columns shall have a clean appearance, free of dirt and marks. {R}

10.2 Standards of Condition

- 10.2.1 All carousels shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}
- 10.2.2 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks and broken pieces. {H}
- 10.2.3 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}
- 10.2.4 Heating and air conditioning units shall be in good working condition. {R}
- 10.2.5 Ceilings shall be in good condition, even across the ceiling and free of visible damage. {R}

10.0 – Baggage Claim

- 10.2.6 Seating shall be free of rips, tears and broken parts. {R}
- 10.2.7 Windowsills shall be in good condition, free of scratches or marks. {R}
- 10.2.8 Windows shall be in good condition, free of scratches or marks. {R}
- 10.2.9 Walls and columns shall be free of large cracks, holes and graffiti. {R}
- 10.2.10 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}
- 10.2.11 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced with no visible broken parts. {R}
- 10.2.12 Unattended baggage carts shall be returned to the dispenser racks promptly and not allowed to collect in an unsightly manner and impede passenger flow. {R}

10.3 *Standards of Functionality*

- 10.3.1 Baggage carousels shall be in good working order and have no areas that could cause damage to baggage or injury to customers. {H}
- 10.3.2 The Public Address System shall be clear and audible. {H}
- 10.3.3 All information display systems shall be clear, visible and accurate and in good working order. {H}
- 10.3.4 Television monitors shall be in good working condition. {R}
- 10.3.5 All lighting shall meet and conform to the Illuminating Engineering Society of North America (IES) standards: **Baggage Area – 35 foot-candles**. {H}
- 10.3.6 Unclaimed baggage shall be moved to and stored in a secure area in accordance with Federal and local regulations, as well as air carrier or Terminal Operator's requirements. {R}

10.4 *Signs, Directions, and Information*

- 10.4.1 Signing shall be visible and adequate to direct customers to all services. {R}
- 10.4.2 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

10.0 – Baggage Claim

- 10.4.3 All baggage carousels shall be clearly identified and where applicable, by airline. {R}
- 10.4.4 In the event that baggage delivery is delayed, a public address announcement regarding the delay shall be made in the baggage claim area. Passengers shall be kept informed as to the status of baggage delivery. {R}
- 10.4.5 Advertising and display areas shall be in good repair and shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.0 – Ground Transportation

11.1 Standards of Cleanliness

Ground Transportation Information Counters

- 11.1.1 Counters shall appear clean and organized, uncluttered and without visible damage. {R}
- 11.1.2 Computers and monitors shall be clean and free of dust. {R}
- 11.1.3 All telephones, including self-service phones shall be clean and free of debris. {R}
- 11.1.4 All panels and displays including self-service areas shall be clean and free of debris. {R}

On-Airport Bus Services

- 11.1.5 All vehicle lighting shall be clean and free of debris. {R}
- 11.1.6 Vehicle exteriors shall be clean and have a freshly washed appearance. {R}
- 11.1.7 Vehicle interiors shall be clean and free of debris. {R}
- 11.1.8 Pictures, frames and advertising shall be clean and free of dust and graffiti. {R}
- 11.1.9 All glass shall be clean and free of streaks and smudges, and dirt and grime. {R}
- 11.1.10 Seating shall be clean and free of graffiti. {R}

Permittee Services

- 11.1.11 Vehicle exteriors shall be clean and have a freshly washed appearance. {R}
- 11.1.12 Vehicle interiors shall be clean and free of debris. {R}
- 11.1.13 All glass shall be clean and free of streaks and smudges, and free of dirt and grime. {R}
- 11.1.14 Seating shall be clean and free of graffiti. {R}

11.0 – Ground Transportation

Bus Shelters

- 11.1.15 All bus shelter exteriors shall be clean and have a freshly washed appearance. {R}
- 11.1.16 All bus shelter interiors shall be clean and free of debris. {R}
- 11.1.17 Pictures, frames and advertising shall be clean and free of dust and graffiti. {R}
- 11.1.18 All glass shall be free of streaks and smudges, and dirt and grime. {R}
- 11.1.19 Seating shall be clean and free of graffiti. {R}
- 11.1.20 Light fixtures and assemblies shall be clean and free of dust. {R}
- 11.1.21 All sidewalks shall be clean and free of debris including gum and cigarettes. {R}

11.2 Standards of Condition

Ground Transportation Information Counters

- 11.2.1 Counters and workspaces shall be maintained in good condition with no gouges, scratches, graffiti or broken pieces. {R}
- 11.2.2 Computers and monitors shall be in good working condition. {R}
- 11.2.3 All telephones, including self-service phones shall be in good condition. {R}
- 11.2.4 All panels and displays shall be in good condition, free of marks, scratches, gouges and any visible damage. {R}
- 11.2.5 Employee's personal belongings shall not be visible to customers. {R}

Airport Bus and Permittee Services

- 11.2.6 All vehicle lighting shall be operational with all lamps lit and no visible broken parts. {H}
- 11.2.7 Vehicular body damage shall be repaired promptly. {R}
- 11.2.8 Pictures, frames and advertising shall be in good condition with no marks, scratches or visible damage. {R}

11.0 – Ground Transportation

- 11.2.9 All glass shall be in good condition, free of scratches, chips and broken pieces. {R}
- 11.2.10 Seating shall be free of tears, rips and missing or broken pieces. {R}
- 11.2.11 Employee's personal belongings shall not be visible to customers. {R}
- 11.2.12 All bus shelters shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

Permittee Services

- 11.2.13 Vehicle exteriors shall be in good condition, with all damage repaired promptly. {R}
- 11.2.14 Vehicle interiors shall be in good condition. {R}
- 11.2.15 All glass shall be in good condition, free of marks, scratches and broken pieces. {R}
- 11.2.16 Seating shall be free of rips, tears and missing or broken pieces. {R}

Bus Shelters

- 11.2.17 All bus shelter exteriors shall be in good condition with no visible damage. {R}
- 11.2.18 All bus shelter interiors shall be in good condition, free of missing or broken pieces. {R}
- 11.2.19 Pictures, frames and advertising shall be in good condition, free of scratches and graffiti. {R}

11.3 Standards of Functionality

Ground Transportation Information Counters

- 11.3.1 All customer service representatives shall be knowledgeable in all alternate modes of transportation in the event of transportation delays. {R}
- 11.3.2 All lighting shall conform to Illumination Engineering Society of North America (IES) standards as they pertain to this area and activity. {R}

11.0 – Ground Transportation

11.3.3 Computers and monitors shall function properly, {R}

11.3.4 All telephones, including self-service telephones, shall function properly. {R}

On-Airport Bus Services

11.3.5 Vehicles shall not make excessive noise or give off unpleasant odors and fumes. {H}

11.3.6 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

11.3.7 Doors and windows shall operate properly and easily. {H}

11.3.8 Waiting time during peak periods shall not exceed fifteen (15) minutes. {R}

11.3.9 Public Address systems and announcements shall be clear audible, and up to date. {R}

11.3.10 Handicapped lifts or “kneeling bus” apparatus shall function properly as referenced to Standard 19.0 “Passengers with Reduced Mobility”. {R}

Permittee Services

11.3.11 Vehicles shall not make excessive noise or give off unpleasant odors and fumes. {H}

11.3.12 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

11.3.13 Only authorized permittees shall make pick-ups at designated areas. {R}

11.4 Signs, Directions and Information

Ground Transportation Information Counters

11.4.1 All signs and postings shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.0 – Ground Transportation

- 11.4.2 Ground Transportation waiting area shall be clearly identified. {R}
- 11.4.3 All transportation information shall be accurate and up to date. {H}
- 11.4.4 All Ground Transportation telephone information panels shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

On-Airport Bus Services

- 11.4.5 Buses, vans and free shuttle vehicles shall be easily identifiable and have route/destination signs clearly posted. {R}
- 11.4.6 Pick-up locations shall be clearly designated. {R}
- 11.4.7 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 11.4.8 All “Variable Message Signs” shall operate properly and display the correct information. Red “LED” (Light Emitting Diodes) signs shall not be used in new applications. {R}
- 11.4.9 Airline directories, where posted, shall be current and up-to-date. {R}

Bus Shelters

- 11.4.10 Bus headways shall be prominently displayed. {R}
- 11.4.11 Airline directories, where posted, shall be current and up-to-date. {R}

11.5 Assistance to Passengers with Reduced Mobility by Permitted Ground Transportation Operators (See Standard 19.0)

- 11.5.1 Permitted bus and van ground transportation operators will provide regular service or para-transit or other special transportation service at no additional cost for persons with reduced mobility, including those persons using non-collapsible motorized wheelchairs. {R}
- 11.5.2 Permitted bus and van ground transportation operators should provide the service described above at posted times or as agreed upon for pre-arranged service or within one (1) hour of the request for such service at Ground Transportation Information Center. {R}

12.0 – Taxi Dispatch

12.1 Standards of Cleanliness

- 12.1.1 Taxi booths shall have clean windows and be free of graffiti. {R}
- 12.1.2 Taxi booth interiors shall be clean and free of visible clutter, such as newspapers, books, magazines and personal electronic devices. {R}
- 12.1.3 Taxi passengers waiting areas shall be clean and free of debris including gum and cigarettes. {R}

12.2 Standards of Condition

- 12.2.1 Taxi booths windows shall be in good condition, free of scratches and broken pieces. {R}
- 12.2.2 All taxi booths shall be in good condition with no dents, scrapes, debris or peeling paint. {R}
- 12.2.3 Taxi passenger waiting areas shall be in good condition with no cracks or missing surface areas. {R}
- 12.2.4 Queue line railing, where installed, shall be free of defects. {R}

12.3 Functionality

- 12.3.1 In the event of a shortage of taxicabs, staff shall advise customers of alternative means of transportation. {R}

12.4 Signs, Directions, and Information

- 12.4.1 Handwritten signs shall not be used and temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}
- 12.4.2 A plaque with the Taxi Dispatcher's name shall be clearly visible at each Taxi Dispatch Booth. {R}

13.0 – Parking Lots & Garages

13.1 Standards of Cleanliness

- 13.1.1 Crosswalks, sidewalks and parking lot surfaces shall be clean and free of all dirt and debris. {R}
- 13.1.2 Escalators and elevators shall be clean and free of debris. {R}
- 13.1.3 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}
- 13.1.4 All structures and equipment shall be free of dirt and graffiti. {R}
- 13.1.5 All light fixtures and assemblies shall be clean and free of graffiti. {R}
- 13.1.6 All windows shall be clean and free of streaks and smudges and be clear of obstructions. {R}
- 13.1.7 Parking lot bus shelters shall be clean and free of debris. {R}
- 13.1.8 Cashier booth interiors shall be clean and free of visible clutter, such as newspapers, books, magazines, and personal belongings. {R}
- 13.1.9 Drains shall be clear and free of debris. {R}
- 13.1.10 Unpleasant odors shall not be detected. {R}
- 13.1.11 Telephones and telephone areas shall be clean and free of debris. {R}

13.2 Standards of Condition

- 13.2.1 Parking lot surfaces shall be well maintained, smooth and free of potholes and weeds. {R}
- 13.2.2 Escalators and elevators shall be in good condition with no gouges, scratches, graffiti and broken pieces. {R}
- 13.2.3 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}
- 13.2.4 All equipment including Ticket Issuing Machines (TIM's) shall be in good condition. {R}

13.0 – Parking Lots & Garages

- 13.2.5 All structures shall be in good condition with no gouges, scratches, graffiti or broken pieces or rust. {R}
- 13.2.6 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced and no visible broken parts. {R}
- 13.2.7 All windows shall be in good condition, free of marks, scratches and broken or missing pieces. {R}
- 13.2.8 All bus shelters shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}
- 13.2.9 There shall be no standing water more than one-half inch (1/2") deep, eight (8) hours after a rainstorm. {R}
- 13.2.10 Phone and intercoms shall be in good condition with no gouges, scratches, graffiti or broken pieces. {H}
- 13.2.11 Striping shall be visible. {R}
- 13.2.12 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}

13.3 *Standards of Functionality*

- 13.3.1 All lighting shall conform to Illumination Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}
- 13.3.2 Properly uniformed and identifiable personnel shall be readily available to assist customers during designated travel periods and to respond to emergency situations. {H}
- 13.3.3 All equipment shall be functioning and in good working order. {R}
- 13.3.4 Every parking lot shelter shall have an emergency phone in good working order with clear instructions. {H}
- 13.3.5 All telephone and intercoms shall be in good working order with appropriate volume and all functions operating. {H}

13.0 – Parking Lots & Garages

- 13.3.6 Escalators and elevators shall be in working order. {R}
- 13.3.7 Elevator button lights and switches shall be operational. {R}
- 13.3.8 Each elevator emergency phone or communication device shall be in working condition. {H}
- 13.3.9 A “red light” shall be displayed indicating a closed lane. {R}
- 13.3.10 Vehicle queues at parking exit plazas shall not exceed a maximum allowable queue length or other measurable criteria as defined in the parking operators agreement with the Port Authority. {R}

13.4 Signs, Directions, and Information

- 13.4.1 Parking rates and fees, indicating the maximum rate for a 24-hour period as well as the credit cards accepted, shall be prominently displayed at all entrances and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 13.4.2 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}
- 13.4.3 Aisle numbers and markings shall be visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 13.4.4 Signing in bus shelters shall display the bus stop number, the schedule, or frequency of service, airline locations (at LGA) and route information and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 13.4.5 Signing for “help” phones and services shall be clear and visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 13.4.6 A plaque with the cashier’s name and a telephone number for customer comment or complaint shall be clearly visible at each cashier booth. {R}
- 13.4.7 Emergency phones shall be clearly marked/identifiable and readily available. {H}

13.0 – Parking Lots & Garages

13.5 *Standards of Parking Employees*

In addition to the following standards, all employees shall conform to the same Employee, Attitude, Appearance and Knowledge as outlined in Standard 1.0.

- 13.5.1 If requested, parking employees shall be capable of providing driving directions to other major airports and off airport areas verbally and/or with printed materials. {R}

- 13.5.2 Employees shall “thank” every customer and offer a receipt. {R}

14.0 - Construction

All areas undergoing renovation or construction shall present a neat appearance with all necessary signing in place and appropriate safety measures taken. Moreover, adherence to all procedures outlined in the Tenant Alteration Procedures and Standards Guide is essential.

14.1 Standards of Cleanliness

- 14.1.1 All surface areas in proximity to the work site shall be free of dust and debris and present a clean appearance. {R}
- 14.1.2 Temporary walls and screening shall be free of graffiti, dirt and debris. {R}

14.2 Standards of Condition

- 14.2.1 No work area shall present a hazard, which may cause a customer or employee to slip, fall or be hit by falling debris or construction materials. {H}
- 14.2.2 Temporary walls shall be finished with visibly attractive scenes or renderings of the project or any temporary signs consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 14.2.3 Storefronts under construction shall have a “uniform” barrier wall or “window dressing” that is attractive and conceals construction activity, as indicated in the Tenant Alteration Application (TAA). {R}
- 14.2.4 Air conditioning and heating shall be uninterrupted in the public areas of the airport facility. {H}
- 14.2.5 Floors shall be dry and free of spills or water. {R}
- 14.2.6 Temporary walls/barricades shall be well maintained with no holes, dents, marks or tears. {R}
- 14.2.7 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced and no visible broken parts. {R}
- 14.2.8 No unpleasant odors shall be emitted from the construction site. {R}

14.0 - Construction

- 14.2.9 Sound suppression efforts shall be employed that meets the airport's operational restrictions on noise in passenger terminal buildings. This may include confining work to certain times of the day. Whenever possible, construction equipment, electrical equipment and tools shall not be visible to customers. {R}
- 14.2.10 Construction workers shall obtain and prominently display official identification. {H}

14.3 *Standards of Functionality*

- 14.3.1 Placement of construction walls or other interior construction activities shall not degrade existing lighting quality or standards in the vicinity of the construction area. {R}
- 14.3.2 All lighting shall conform to Illuminating Engineering Society of North America (IES) standards. {R}
- 14.3.3 Construction activity shall be designed to minimize interference with passenger circulation paths, and if construction does impede with circulation alternative routes will be established in a safe manner. {H}
- 14.3.4 Construction employees shall comply with all relevant Port Authority "Airport Rules and Regulations". {R}
- 14.3.5 Any major capital projects having impact on customer services shall be posted on appropriate websites. {R}

14.4 *Signs, Directions, and Information*

- 14.4.1 Signing and information shall be made available to customers explaining the benefits of the project, what is being renovated or constructed, and when it will be completed. {R}
- 14.4.2 Signs designating alternate facilities shall provide clear directions and hours of operation. {R}
- 14.4.3 Adequate directional signing, consistent with Port Authority Aviation Signing and Wayfinding Standards, shall be provided when construction barricades hide or obstruct facilities, egress, and services. {R}

14.0 - Construction

- 14.4.4 Renderings of the new facility shall be posted at appropriate locations. {R}
- 14.4.5 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

15.0 – Charter Operations

These standards are being issued to Terminal Operators, Aircraft Owners and/or Tour Operators involved in the operation of charter flights and exclude scheduled carriers who have established policies, procedure and guidelines to handle stranded and delayed passengers.

15.1 Standards for Representation

- 15.1.1 For arrivals only, an authorized representative of the aircraft owner and/or tour operator shall sign in and sign out with the Terminal Operator and be on duty one (1) hour prior to the scheduled arrival of the aircraft and two (2) hours after aircraft arrival.
- 15.1.2 For departures only, the aircraft owner or tour operator(s) shall have a minimum of one authorized representative on duty at least two and one-half (2-1/2) hours prior to the scheduled departure of the aircraft and shall remain on duty until the flight is air born. The representative shall sign-in and sign-out with the Terminal Operator.
- 15.1.3 Aircraft owner or tour operator(s) representatives shall be empowered to assist stranded passengers in all areas of customer service. (See Standard 17.0)
- 15.1.4 Prior to the approval of a schedule, the aircraft owner or tour operator(s) shall provide the Port Authority and the Terminal Operator with:
- A. The name of the Company responsible for providing information, assistance and accommodations to passengers in the event of a delay, cancellation or other problem situation;
 - B. Name(s) of all authorized representative(s) on duty;
 - C. 24-hour telephone contact;
 - D. 24-hour fax number;
 - E. E-mail address;
 - F. Mailing address;
 - G. The name of ground handling company;
 - H. Name and contact of handling company's authorized representative;

15.0 – Charter Operations

- I. Name of company or party responsible for all fees including, but not limited to: landing, passenger fees, handling, fuel, catering, security, passengers' inconvenience, mishandled baggage, additional maintenance, etc.
- J. Provide website address for posting of information.

15.1.5 The Company responsible for all fees and ancillary costs shall post a bond in an amount and form at the discretion of the Port Authority prior to each season during which it plans to operate.

15.1.6 The Company responsible for all fees and ancillary cost shall confirm in writing to the Port Authority and the Terminal Operator that it has obtained all slot approvals and shall identify the handling company and location for processing arriving and departing passengers and baggage for all tenant operated facilities.

15.1.7 An Airline or ground handling company that enters into an agreement with an aircraft owner or tour operator(s) to provide facilities, passenger and baggage check-in and assistance on arrival, shall include these standards in the arrangements and make every effort to assist stranded passengers.

15.2 *Standards for Information*

15.2.1 The proposed flight schedule shall be provided to the Port Authority at least 72 hours prior to the flights scheduled arrival or departure time. For EWR Terminal B operation requests, flight schedules shall be submitted at least fifteen (15) days prior.

15.2.2 Passengers shall be provided with access to 24 hour a day arrival and departure information.

15.2.3 Passengers shall be notified of all check-in and arrival location information including terminals, check-in locations and time requirements, as well as scheduled arrival time and procedures prior to their arrival at the airport.

15.2.4 For international flights, the aircraft owner or tour operator(s) shall notify passengers of all required documentation for originating and destination country.

15.0 – Charter Operations

15.3 Standards for Services in case of flight delay or cancellation

- 15.3.1 Authorized representative(s) shall inform passengers of flight status (delay or cancellation) no later than fifteen (15) minutes after scheduled departure time, and shall repeat an advisory process every thirty (30) minutes, or as required.
- 15.3.2 In accordance with airline's and/or terminal operator's procedures, food, refreshments, restroom facilities and medical assistance shall be made available as required.
- 15.3.3 When ticket prices for chartered flights include a package of airfare, hotel, meals and ground transportation, passengers shall be informed in advance and in writing of any re-accommodation, compensation or refund policy in the event of extensive (24 hours or more) delay or cancellation.

16.0 – Ramp and Airside Areas

Ramp and airside areas are clearly visible to the traveling public from departing and arriving aircraft as well as from airport terminals. Ramp condition, cleanliness and general appearance can greatly influence the overall perception of the airport and work towards accomplishing the goal of achieving customer satisfaction. These standards shall apply to all terminal operators, airlines, cargo facility operators, the Port Authority, ground service/handling companies and all their contractors and sub-contractors.

In order to implement and enforce the Ramp and Airside Airport Standards, a separate facility quality assurance review program will be developed with partners

16.1 Standards of Ramp Cleanliness

- 16.1.1 All Ramp/Airside areas shall be free of Foreign Object Debris (FOD) in accordance with FAA advisory Circular 150/5380-5B and Port Authority Rules and Regulations. {H}
- 16.1.2 All ramp areas under the responsibility of terminal operators or the airport authority shall be clean and free of debris, grease and oil and have “speedi-dry” type material available. {H}
- 16.1.3 Entrance and exit doors and frames to/from ramp areas shall be free of dirt and grime. {R}
- 16.1.4 All windows visible from ramp/airside shall be clean and free of streaks and smudges. {R}
- 16.1.5 All trash receptacles shall be emptied in order to prevent the overflow of debris. {R}
- 16.1.6 Walls, columns and doors shall be clean and free of graffiti. {R}
- 16.1.7 All service roads, as well as walkways and sidewalks shall be clean and free of debris. {R}
- 16.1.8 Interline Baggage transfer areas shall be clean and free of debris. {R}
- 16.1.9 All drains shall be clear and free of debris. {R}
- 16.1.10 Guard booth interiors shall be clean, free of debris, clutter and graffiti and have no personal items visible. {R}

16.0 – Ramp and Airside Areas

16.1.11 Guard booth windows shall be clean and free of streaks and smudges, and dirt and grime. {R}

16.2 Standards of Equipment Cleanliness

16.2.1 All ground support equipment (motorized and non-motorized equipment) shall be clean and free of debris. {R}

16.2.2 Buses and/or Mobile Lounges shall be clean and have a freshly washed appearance. {R}

16.2.3 Bus and/or Mobile Lounge seating shall be clean and free of graffiti. {R}

16.2.4 Bus and/or Mobile Lounge windows shall be clean and free of streaks and smudges and free of dirt and grime. {R}

16.2.5 Bus and/or Mobile Lounge carpet and floors shall be free of debris and stains and shall appear clean. {R}

16.2.6 Aircraft loading bridges shall be clean and free of debris and have a freshly washed appearance. {R}

16.3 Standards of Ramp Condition

16.3.1 Unserviceable equipment (motorized and non-motorized) shall not be stored at the Air Terminal. Storage of such equipment is permitted on a temporary basis in cargo and/or compound areas, out of sight of the general public, while scheduling the equipment's removal from airport property. {R}

16.3.2 All service roads, as well as walkways and sidewalks shall possess clearly defined pavement markings. {R}

16.3.3 All fences and barriers shall be well maintained, rust free and properly secured. {R}

16.3.4 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced. {R}

16.3.5 All ramp surface areas shall be smooth and free of potholes and weeds. {R}

16.3.6 All service roads shall be well maintained and free of potholes and weeds. {R}

16.0 – Ramp and Airside Areas

- 16.3.7 Guard booths shall present a well-maintained appearance, free of clutter, debris and graffiti. {R}
- 16.3.8 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}
- 16.3.9 All ramp surface areas shall be clearly marked to support marshalling program of both aircraft and ground support equipment. {H}

16.4 Standards of Equipment Condition

- 16.4.1 Ground Support Equipment shall be parked and stored in clearly striped, designated areas. {R}
- 16.4.2 Ground Support Equipment shall be in good condition and in accordance with Port Authority Police inspections. {R}
- 16.4.3 Bus and/or Mobile Lounge seating shall be free of rips, tears and broken parts. {R}

16.5 Standards of Equipment Functionality

- 16.5.1 Buses and/or Mobile Lounges shall be in good working order. {R}
- 16.5.2 Buses and/or Mobile Lounges heating and air conditioning units shall be in working condition. {R}
- 16.5.3 Buses and/or Mobile Lounges shall not make excessive noise or give off unpleasant odors and fumes. {R}
- 16.5.4 Communication equipment on Buses and/or Mobile Lounges shall be clear and audible. {R}
- 16.5.5 Ramp equipment parked and cargo including containers shall be staged in an orderly fashion. {R}
- 16.5.6 Ground Support Equipment shall be maintained in good working order with no obvious fuel, oil or grease leaking on the ramp surface. {R}
- 16.5.7 Aircraft loading bridges shall be in good working order. {R}
- 16.5.8 Interline baggage transfer equipment shall be in good working order. {R}

16.0 – Ramp and Airside Areas

16.5.9 Where applicable Terminal Operators shall provide clearly marked walkways from terminal to aircraft so as to safely deplane and board passengers and flight crews. {R}

16.6 Signs, Directions, and Information

16.6.1 Handwritten signs shall not be used and any temporary signs shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

16.6.2 Gate numbers shall be clearly marked and visible at all times. {R}

17.0 – Assistance to Stranded Passengers

In order to implement and provide customer service during severe delays, a joint committee consisting of Terminal Operators, Airlines and the Port Authority will establish an arrangement to house, feed and transport, or provide cots, blankets and pillows to passengers during late night hours when such services are not usually available.

The Port Authority will arrange for the presence of necessary Port Authority service providers to furnish applicable services during late night hours.

The Following Defines “Stranded Passengers”

Passengers are considered stranded *on board an aircraft*, when an aircraft is delayed at a remote parking position for more than two (2) hours on departure and thirty (30) minutes on arrival, with no access to lavatories, food, beverage, medical assistance or communication, or are unable to disembark or unable to be transported to a terminal building.

Passengers are considered stranded *inside a terminal*, when a flight is delayed or cancelled and the airline or terminal operator is unable to provide timely information on the status of the flight or alternate means of accommodations. Passengers will also be considered stranded *inside a terminal* when they are unable to arrange landside transportation for any number of reasons.

The Following Defines “Areas of Responsibility”

Assistance to arriving or departing passengers stranded on board an aircraft shall be the responsibility of the airline. Assistance to departing or arriving passengers stranded inside a terminal is the responsibility of the airline, and in some cases the Terminal Operator or the Port Authority. Airlines shall be responsible for providing accurate and up to date information to the general public.

17.1 Assistance to passengers stranded on board an aircraft

17.1.1 Passengers shall be informed, in a timely and frequent manner, of existing traveling conditions, whether a delay or cancellation, and the arrangements to deplane the aircraft when stranded on board an aircraft for sixty (60) minutes or longer. {H}

17.0 – Assistance to Stranded Passengers

17.1.2 Special attention shall be provided to passengers with reduced mobility (PRM) or special needs such as the elderly disabled, passengers with medical conditions, unaccompanied children, passengers with very young children and passengers speaking foreign languages. {H}

17.1.3 Passengers shall be provided with essential needs such as food, water, heat and air conditioning and restroom facilities on board. {H}

17.2 Assistance to passengers stranded inside the terminal

17.2.1 Airlines and/or terminal operators shall keep passengers informed of known delays, cancellations and diversions with frequent announcements as established by each airline. {R}

17.2.2 In accordance with airline's and/or terminal operator's procedures, food, refreshments, restroom facilities and medical assistance shall be made available as required. {H}

17.2.3 In accordance with airline procedures, reasonable efforts shall be made to safeguard the travel of passengers with down line connections and reservations including making alternate arrangements as required. {R}

17.2.4 Airlines are encouraged to provide passengers with any additional services as described by ATA Carriers in their respective "Customer Service Commitments" and by the DOT "Fly-Rights" publication. {R}

17.3 Arriving flight information provided to the general public

17.3.1 Airlines and/or terminal operators shall have a responsibility to provide accurate and timely information to the general public including but not limited to scheduled time of arrival, estimated time of arrival, notices (or announcements) explaining reason for flight delay, cancellation or diversion, and updating the arrival information recorded messages and all electronic flight information systems on a timely basis. {R}

18.0 – AirTrain

18.1 Standards of Cleanliness

Stations: Interior

- 18.1.1 Seating shall be clean and free of stains. {R}
- 18.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. {R}
- 18.1.3 All floor mats shall be clean and properly aligned. {R}
- 18.1.4 All planters shall be clean and free of dust and debris. {R}
- 18.1.5 Windowsills shall be free of dust and debris. {R}
- 18.1.6 Windows and doors shall be clean and free of streaks and smudges. {R}
- 18.1.7 Trash receptacles shall be clean and not overflowing. {R}
- 18.1.8 Walls shall have a clean appearance, free of dirt and marks. {R}
- 18.1.9 Floors shall be dry, free of spills or water. {H}
- 18.1.10 Ceilings shall be dust free and unsoiled. {R}
- 18.1.11 Light fixtures and assemblies shall be clean and free of dust. {R}
- 18.1.12 Telephones and telephone areas shall be clean and free of debris. {R}
- 18.1.13 Pictures, frames, directories and advertising shall be clean and free of dust and graffiti. {R}
- 18.1.14 Heating and air conditioning units shall be clean and free of dust. {R}
- 18.1.15 Elevator cab walls and floors shall be clean and free of debris and graffiti. {R}
- 18.1.16 Escalators shall be clean and free of debris and graffiti. {R}
- 18.1.17 All Flight Information Display System (FIDS) and Passenger Information Display System (PIDS) monitors shall be clean and free of dust. {R}

18.0 – AirTrain

Stations: Exterior

- 18.1.18 Entrance and exit doors shall be clean and free of smudges, dirt and grime. {R}
- 18.1.19 Windows shall be free of streaks and smudges. {R}
- 18.1.20 Trash receptacles shall be clean and emptied to prevent the overflow of debris. {R}
- 18.1.21 Awnings, where present, shall be clean at all times. {R}
- 18.1.22 Walls shall be clean and free of graffiti. {R}
- 18.1.23 Light fixtures and assemblies shall be clean and free of dust. {R}

Trains:

- 18.1.24 Exteriors shall be clean and have a freshly washed appearance. {R}
- 18.1.25 Pictures, frames, directories and advertising shall be clean, and free of dust and graffiti. {R}
- 18.1.26 Seating shall be clean and free of stains. {R}
- 18.1.27 Walls shall be clean and free of graffiti and scratches. {R}
- 18.1.28 Ceilings shall be dust free and unsoiled. {R}
- 18.1.29 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks, gum and stains. {R}
- 18.1.30 Floors shall be dry, free of spills and water. {H}
- 18.1.31 Windows shall be free of streaks and smudges. {R}
- 18.1.32 Doors shall be clean. {R}
- 18.1.33 Light fixtures and assemblies shall be clean and free of dust. {R}

18.0 – AirTrain

18.2 *Standards of Condition*

Stations: Interior

- 18.2.1 Seating shall be free of rips, tears and missing or broken parts. {R}
- 18.2.2 Carpet shall not be worn or frayed, and tile and floors shall be free of large gouges, cracks and missing pieces. {H}
- 18.2.3 Floor mats shall be in good condition, without obvious wear and frays. {R}
- 18.2.4 Planters shall be in good condition, free of any visible damage. {R}
- 18.2.5 Windowsills shall be in good condition without any missing or broken pieces. {R}
- 18.2.6 Glass in windows and doors shall have no broken or cracked panes. {H}
- 18.2.7 Trash receptacles shall be in good condition with no dents, marks or peeling paint. {R}
- 18.2.8 Walls and columns shall be in good condition, free of marks, scuffs, dents or gouges. {R}
- 18.2.9 Ceilings shall be in good condition, even across the ceiling and free of visible damage. {R}
- 18.2.10 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced. {R}
- 18.2.11 Telephones and telephone areas shall be in good condition, with no broken pieces. {R}
- 18.2.12 Pictures, frames and advertising shall be in good condition, free from marks, scratches and missing or broken pieces. {R}
- 18.2.13 Heating and air conditioning units shall be in good working condition. {H}
- 18.2.14 Escalators and elevators shall be in working condition. In cases of two-way passenger flow where more than one escalator exists and one escalator is inoperative, the operative escalator shall be in the ascending direction. {R}

18.0 – AirTrain

- 18.2.15 Flight Information Display System (FIDS) and Passenger Information Display System (PIDS) monitors shall be in good condition, with no visible damage. {R}
- 18.2.16 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}
- 18.2.17 Employees' personal belongings shall not be visible. {R}
- 18.2.18 Platform bumpers shall be free of tears and missing or broken parts. {H}

Stations: Exterior

- 18.2.19 Sidewalks shall be smooth and free of large cracks or missing surface areas. {H}
- 18.2.20 Entrance and exit doors shall be in good working order. {R}
- 18.2.21 Windows shall be in good condition with no scratches, chips or broken pieces. {R}
- 18.2.22 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}
- 18.2.23 Awnings, where present, shall be in good condition with no visible damage. {R}
- 18.2.24 Walls and columns shall be in good condition, free of marks, scuffs, dents or gouges. {R}
- 18.2.25 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced. {R}
- 18.2.26 Only authorized vehicles shall utilize restricted curb areas. {R}
- 18.2.27 Snow and ice is removed from walkways, roadways and guide ways to prevent any safety hazard. {H}
- 18.2.28 Roadways are well maintained and free of potholes. {R}
- 18.2.29 Baggage carts shall be readily available. {R}

18.0 – AirTrain

Trains

- 18.2.30 Exteriors of the trains shall be in good condition, free of visible damage. {R}
- 18.2.31 Pictures, frames and advertising shall be in good condition, with no marks, scratches or visible damage. {R}
- 18.2.32 Walls shall be in good condition, free of marks, scuffs, dents or scratches. {R}
- 18.2.33 Trains shall be in good working order and do not give off unpleasant fumes or noise. {R}
- 18.2.34 Seating shall be free of tears, rips or graffiti. {R}
- 18.2.35 Doors shall be in good working order. {H}

18.3 *Standards of Functionality*

Stations: Interior

- 18.3.1 Flight Information Display System and Passenger Information Display System, shall be clear, visible and accurate. {R}
- 18.3.2 Elevator button lights and switches shall be operational. {R}
- 18.3.3 Each help phone on the platform and each elevator emergency phone or communication device shall be in working condition. {H}
- 18.3.4 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

Stations: Exterior

- 18.3.5 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}
- 18.3.6 Public address systems shall be clear and audible. {R}
- 18.3.7 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

18.0 – AirTrain

Trains:

18.3.8 Waiting times at EWR shall not exceed:

- Three (3) minutes, between the hours of 1100 and 2000
- Four (4) minutes, between the hours of 0500 and 1100, and 2000 and 2400, and
- Twenty-four (24) minutes between 2400 and 0500

Waiting times at JFK shall not exceed:

- Nine (9) minutes, between the hours of 0600 and 1430
- Nine (9) minutes, between 1430 and 0000
- Thirteen (13) minutes, between 0000 and 0600

18.3.9 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

18.3.10 Automated announcements shall be audible and up-to-date. {R}

18.3.11 Public Address systems shall be clear and audible. {R}

18.3.12 Each help phone, emergency phone or communication device shall be in working order. {H}

18.4 Signs, Directions, and Information

18.4.1 Route/destination signing shall be clearly posted. {R}

18.4.2 Drop-off and Pick-up points shall be clearly designated. {R}

18.4.3 Directional signing shall be visible and correct at every decision point. {R}

18.4.4 Signing to gates, concourses and services shall be clear, visible and up-to-date. {R}

18.4.5 Flight Information Display System monitors shall be clear, visible and accurate. {R}

18.0 – AirTrain

- 18.4.6 Handwritten signs shall not be used and all temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}
- 18.4.7 Telephones and/or call boxes shall be easily identified. {R}
- 18.4.8 Maps and directories shall be accurate, up-to-date and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

19.0 – Assistance to Passengers with Reduced Mobility

Definition of “Passengers with Reduced Mobility”

Passengers with Reduced Mobility include, but are not limited to:

1. Persons with disabilities as defined by the American with Disabilities Act – An individual is "disabled" if he or she meets at least any one of the following tests:
 - He or she has a physical or mental impairment that substantially limits one or more of his/her major life activities
 - He or she has a record of such an impairment
 - He or she is regarded as having such an impairment
2. Passengers traveling with children and infants, or unaccompanied minors.
3. Passengers that do not speak English.
4. Passengers' requiring/requesting the aid of a mobility assistance representative.

Relevant Standards and Regulations

Relevant standards and regulations for accommodating Passengers with Reduced Mobility include, but are not limited to:

- The Air Carrier Access Act and the Department of Transportation rule (Title 14 CFR, Part 382).
- The Americans with Disabilities Act
- The International Civil Aviation Organization (ICAO) Annex 9 that includes a number of Standards and Recommended Practices (SARPs) concerning the access to air services and airport facilities by elderly and disabled persons including revisions by the Facilitation Division (FAL/11).
- Transportation Security Administration Training.

Areas of Responsibility

- A. For Passengers with Reduced Mobility requiring or requesting assistance, the airline and/or terminal operator shall assist arriving Passengers with Reduced Mobility deplaning an aircraft and/or requiring assistance from the aircraft to the curb/ground transportation center or another assistance provider.

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- B. The airline and/or terminal operator shall assist departing Passengers with Reduced Mobility requiring assistance from the ticket counter and/or to board the aircraft.
- C. For Passengers with Reduced Mobility requiring or requesting assistance, the Port Authority shall facilitate departing or arriving Passengers with Reduced Mobility between parking facilities and the terminal buildings or between terminals.
- D. The terminal operator shall provide amenities (concessions, restrooms, telephones, etc.) directories of accessible areas, and clearly marked signing to facilities to accommodate Passengers with Reduced Mobility.

19.2 Assistance to Passengers with Reduced Mobility by an Airline or Terminal Operator

- 19.2.1 Passengers with Reduced Mobility shall receive assistance in getting to and boarding the aircraft and deplaning and getting to the curb in addition to making connections to other flights. {H}
- 19.2.2 Employees shall receive the necessary training to assist in moving and transporting Persons with Disabilities. {R}
- 19.2.3 Employees shall receive training in handling mobility aids and assistive devices (electric wheelchairs, respirator equipment, etc.) used by Persons with Disabilities. {R}
- 19.2.4 Airlines may require up to 48 hours advance notice to accommodate certain mobility aids and assistive devices that require preparation time for transport (e.g., respirator hook-up or transportation of an electric wheelchair on an aircraft). {R}
- 19.2.5 Unaccompanied minors shall not be left unattended. {H}
- 19.2.6 Employees shall be available to assist Passengers with Reduced Mobility who are unable to move independently. {H}
- 19.2.7 Passengers with Reduced Mobility being dropped off shall be able to obtain assistance at the curbside within five (5) minutes. {H}
- 19.2.8 Each terminal operator shall ensure that telephones equipped with telecommunication devices for the deaf (TDD's) are provided and are clearly marked on directories and above the telephones. {R}

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19.3 On-Airport Assistance to Passengers with Reduced Mobility

- 19.3.1 The Port Authority will make available para-transit or other special transportation services to Persons with Disabilities who cannot use fixed route bus/rail service between terminal buildings. {R}
- 19.3.2 The fixed route bus/rail services shall be accessible as required by the Americans with Disabilities Act. {R}
- 19.3.3 The Ground Transportation Information and/or Help Centers shall provide information to Passengers with Reduced Mobility using bilingual or multilingual brochures with internationally recognized symbols and/or interactive display systems. {R}
- 19.3.4 Unaccompanied minors shall not be left unattended in any parking facility or in an AirTrain station. {H}
- 19.3.5 Passengers with Reduced Mobility, who cannot move independently, shall not be left unattended in any parking facility or in an AirTrain station. {H}

19.4 Provision of Wheelchairs to Passengers with Reduced Mobility

- 19.4.1 Each terminal shall provide wheelchairs to assist in the movement of Persons with Disabilities. Wheelchairs shall meet the industry standards. {R}
- 19.4.2 Airlines shall each provide boarding wheelchairs and ramps or mechanical lifts for boarding an aircraft not affixed to a loading bridge. {R}
- 19.4.3 All wheelchairs may be subject to an inspection of:
- A. Armrests - - sharp edges, cracks, burrs on screw heads, protruding screws, secure fit and locks engage squarely, all fasteners are present and tight;
 - B. Wheelchair back - - upholstery for rips, tears and tautness; all attaching hardware is present and tight; handgrips are tight and do not rotate on post; back-post brace joints are not cracked, bent or damaged; safety belts are checked for fraying and hardware functionality;

19.0 – Assistance to Passengers with Reduced Mobility

- C. Seats, cross braces and frames - - upholstery for rips, tears and tautness; attaching hardware is present and tight; check for stripped screws and burrs on screw heads; folding chairs should be checked for sticking; cross braces are checked for bent rails or cracks and the center pin nut is present; front post slides are straight; seat rail guides are present;
- D. Wheel locks - - securely engage the tire surface and prevent the wheel from turning; rubber tip is present;
- E. Large wheels - - no wobbling or side-play indicating worn bearings; tires do not have excessive wear or cracks; axles and axle-lock nuts are functioning properly;
- F. Casters - - check for signs of bending on sides and stems of forks and be sure stem is firmly attached to fork; check stem bearings for excessive play both up and down as well as back and forward; check for excessive wobble in bearings; check tire for excessive wear or cracks; and,
- G. Footrest/leg rest - - check frame for damage and confirm secure fit of locking mechanism; check for sharp edges in foot plates and foot plate springs; proper operation for length adjustment hardware, all hardware is present and proper tightness; foot rest bumpers are present.

19.4.4 All wheelchairs shall be well maintained and in good condition. {R}

19.4.5 Each airline shall ensure that an adequate number of wheelchairs are available to meet the required demand. {R}

19.4.6 All airline terminals shall provide an adequate number of electric carts to meet the required demand. {R}

19.4.7 All electric carts shall be in good condition, free of dents, ripped seating and any visible damage or broken parts. {R}

19.4.8 All electric carts shall be equipped with an audible and visual alert signal to alert passengers to its' presence. {R}

19.4.9 All electric carts shall operate in a safe manner that at no point compromises the safety of pedestrians in the terminal. {H}

19.0 – Assistance to Passengers with Reduced Mobility

19.5 Signs, Directions and Information

19.5.1 All facilities and devices for Persons with Reduced Mobility shall be clearly marked and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

20.0 – Public Circulation and Queue Management

The Following Defines “Circulation Areas”

Circulation areas are comprised of publicly accessible areas inside or outside the terminal buildings occupied by persons walking or standing, exclusive of those spaces required for organized passenger queuing. Circulation areas include, but are not limited to, ticket lobbies, passenger waiting areas, food court concession areas, concourses, corridors and hallways, sidewalks, escalators and moving walkways, and pedestrian bridges.

The Following Defines “Queuing Area”

Queuing areas are comprised of publicly accessible areas inside or outside the terminal building dedicated to the organization of passengers waiting for service. Queuing areas include, but are not limited to, those areas dedicated to accommodate passengers approaching ticket counters, security screening areas, Customs and Border Protection areas, concessions, self-serve ticket kiosks, gate areas, information kiosks, and ground transportation areas.

Areas of Responsibility

- A. Airlines shall manage the circulation and queuing activity in their lease areas including boarding areas, ticket counters, self-serve ticket kiosks, baggage offices, and other areas that are used by passengers to queue for airline services which include areas that may fall outside an airline’s lease line.
- B. Concession tenants shall manage the circulation and queuing activity within their respective lease areas.
- C. The Terminal Operator and/or Airline shall manage circulation and queuing activity at passenger and baggage security screening checkpoints.
- D. The terminal operator or the Port Authority shall manage the circulation and queuing activity in all public spaces not included in the lease areas of the airlines or other tenants.
- E. Airline employees shall inquire of passengers at check-in queues regarding departure times and destinations and shall assist passengers in resolving problems when lines are lengthy.

20.0 – Public Circulation and Queue Management

F. The terminal operator and/or airline shall manage and control the circulation and queuing activity in their lease areas of the FIS with input from Customs and Border Protection.

20.1 *Standards for Managing Passenger Circulation*

- 20.1.1 Unattended baggage carts shall be returned to dispenser racks or removed so as not to impede the flow of passengers. {R}
- 20.1.2 Objects shall not be placed or installed in a permanent or temporary manner that will obstruct circulation requirements of persons with reduced mobility. (Refer to Standard 19.0). {R}
- 20.1.3 Objects shall not be placed or installed in a permanent or temporary manner that will obstruct primary public flow paths, doorways, elevator/escalator entrances, and other public circulation areas. {R}
- 20.1.4 Objects shall not be placed or installed in a permanent or temporary manner in areas where passenger flows must be maintained for purposes of providing public safety, including but not limited to stairways, escalator debarking areas, roadway curbsides and emergency exit lanes, corridors or access points. {R}
- 20.1.5 Objects shall not be placed or installed in a permanent or temporary manner that promotes the development of a crowd that results in decreased public mobility or an unsafe condition. {R}
- 20.1.6 Lighting in public circulation areas shall be provided in accordance with Illuminating Engineering Society of North America (IES) standards. {H}
- 20.1.7 Preventative maintenance of facilities, cleaning, or other routine activities shall be performed so as to not interfere with primary public circulation paths. {R}
- 20.1.8 Provide and maintain adequate way finding to promote efficient public circulation. {R}
- 20.1.9 Objects shall not interfere with the public's visual field so as to effect public orientation and understanding of designated flow paths. {R}

20.2 *Standards for Managing Passenger Queuing Areas*

- 20.2.1 Organized queuing procedures shall be developed and formalized queuing areas shall be provided in locations where public queuing is likely to result in unsafe conditions, service stoppage, or an impediment to adjacent passenger flows. {R}

20.0 – Public Circulation and Queue Management

- 20.2.2 Designated queuing areas shall be properly sized based on anticipated passenger use in each terminal and shall be maintained to accommodate future public circulation and queuing demands. {R}
- 20.2.3 Public queues for a facility shall not extend beyond the tenant's designated lease area unless authorized by the Port Authority. {R}
- 20.2.4 The Port Authority or terminal operators shall be notified if public queues are anticipated to obstruct or are actually obstructing adjacent passenger flows in a manner that decreases public mobility or results in an unsafe condition. {R}
- 20.2.5 The tenant shall actively manage public queues at locations where the massing of people could result in an unsafe condition (e.g., adjacent to an escalator deboarding areas or curbside roadways) or impede primary public flow patterns. {R}
- 20.2.6 Public queues shall not extend or be formed outside a terminal building where shelter is not available. {H}

20.3 *Stanchion Appearance and Locations*

- 20.3.1 Placement of floor stanchions shall not interfere with public circulation, queuing or wayfinding. {R}
- 20.3.2 Stanchion belts should not exceed 7' in length between posts, be less than 2" in width, be less than 0.0275" thick and the post should not be less than 2" in diameter. {R}
- 20.3.3 Stanchion posts shall not exceed 40" in height, the bases shall not exceed 14" in diameter and any stanchion post weight shall not exceed 28 lbs. {R}
- 20.3.4 Stanchion belts and posts shall match in color, type and quality. The use of a combination of various stanchions, ropes, belts, etc. is not permitted. {R}
- 20.3.5 Stanchion belts or ropes should never be tied together. {R}
- 20.3.6 Stanchions, ropes, "tensa barriers" shall be well maintained and in good repair. {R}
- 20.3.7 Stanchions, ropes, "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

20.0 – Public Circulation and Queue Management

- 20.3.8 Stanchions, ropes, “tensa barriers” shall be clean and free of dust, tape and smudges. {R}

21.0 – Orderly Evacuation and Resumption of Services

Definition of “Emergency Situation”

- A. An emergency situation is defined as any event that threatens, or has the potential to threaten, the life, health, and safety of individuals at the airport. Emergency situations include, but are not limited to, (a) fire, (b) security, (c) power outage, and (d) natural disaster.
- B. Security emergencies include, but are not limited to, security breaches, threats against a specific facility or airline, acts of violence in pre- or post-security areas, bomb threats, unattended baggage or parcels and biological or chemical threats.

21.1 *Airline Assistance*

- 21.1.1 All airline employees and airline contractors shall be knowledgeable in terminal emergency and evacuation procedures.
- 21.1.2 All airline employees shall be familiar with airport emergency procedures.
- 21.1.3 In case of fire, power outage or natural disaster emergency, airline employees shall follow terminal operator and Port Authority Police instructions for emergency procedures.
- 21.1.4 In case of a security emergency, airline employees and contract employees shall at the direction of the Port Authority Police and the Transportation Security Administration (TSA) clear gates, boarding areas, and holding areas of all people (passengers, employees and other airport visitors) in a safe orderly, and efficient manner, and direct them to the nearest security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency).
- 21.1.5 In case of a gate emergency involving an aircraft with passengers on board, airlines and FAA emergency procedures shall apply.
- 21.1.6 Airlines shall at all times have an on-duty employee designated as an “Emergency Representative” who shall communicate effectively with the Port Authority Police, the TSA, the terminal operator and customers and as applicable with Customs and Border Protection (CBP) to coordinate a safe orderly and efficient evacuation in the event of an emergency situation.
- 21.1.7 The Emergency Representative shall communicate and coordinate effectively with the TSA, CBP, terminal operators, and the Port Authority Police to inform airport customers of the nature of the emergency and to ensure airport customer essential needs are met.

21.0 – Orderly Evacuation and Resumption of Services

- 21.1.8 After a departure emergency situation subsides, the Emergency Representative shall provide the Port Authority Police and the TSA flight departure information to effectuate an orderly and efficient re-screening of passengers according to the priority of departing flights.
- 21.1.9 After an arrival emergency situation subsides, the Emergency Representative shall provide the Port Authority Police, terminal operator and as applicable Custom and Border Protection, arrival information to effectuate an orderly and efficient deboarding and clearance of passengers, and what is being communicated to other airport customers waiting in the baggage claim area.
- 21.1.10 International arriving passengers and flight crewmembers that have been cleared through Federal Inspection Services (FIS), shall be directed to proceed with all other customers and employees when evacuating the premises, as established in the CBP Continuity of Operations Plan. (COOP).
- 21.1.11 International arriving passengers and flight crewmembers that have not yet been cleared through FIS, shall be evacuated in a manner established by the CBP's COOP. The Port Authority will be provided with such plans, by the CBP, on an annual basis.

21.2 Airport Tenant Responsibilities

- 21.2.1 All airport tenants shall be knowledgeable in terminal emergency and evacuation procedures.
- 21.2.2 All employees of airport tenants shall be familiar with airport emergency procedures.
- 21.2.3 In case of fire, power outage or natural disaster emergency, airport tenant employees shall follow Port Authority Police, or terminal operator instructions for emergency procedures.
- 21.2.4 In case of a security emergency situation, airport tenants shall clear their leased space of all customers and employees in a safe, orderly, and efficient manner, and direct them to nearest security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency).
- 21.2.5 Airport tenants shall at all times have an on-duty employee designated as an "Emergency Representative" who will communicate effectively with Port Authority Police, TSA, CBP, the terminal operator and airport customers to coordinate a safe, orderly, and efficient evacuation of the airport tenant's leased space in the event of an emergency situation.

21.0 – Orderly Evacuation and Resumption of Services

21.3 *TSA Responsibilities*

- 21.3.1 The TSA employees shall be knowledgeable in terminal emergency procedures.
- 21.3.2 All TSA employees shall be knowledgeable of all airport emergency procedures. Given that TSA employees may work at a number of security checkpoints throughout the Port Authority Airport system, TSA employees must be familiar with the airport emergency procedures at all terminals for each airport.
- 21.3.3 In case of a security emergency situation, TSA employees shall coordinate with the Port Authority Police and direct all airport customers and employees through the security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency) in a safe, orderly, and efficient manner.
- 21.3.4 In case of fire, power outage or natural disaster emergency, the TSA shall coordinate emergency procedures with the Port Authority Police and the terminal operator to ensure an efficient and orderly evacuation and re-screening of airport customers and employees and follow departure service resumption process. (See Standard 21.8)
- 21.3.5 TSA employees shall communicate effectively with airlines, terminal operators, and the Port Authority Police to inform airport customers of the nature of the emergency and to ensure airport customer essential needs are met.
- 21.3.6 After the emergency situation subsides, TSA employees shall communicate effectively with airline Emergency Representatives, terminal operators, and the Port Authority Police to effectuate an orderly and efficient security checkpoint re-screening process according to the priority of departing flights.

21.4 *Terminal Operator Responsibility*

- 21.4.1 All terminal operator and Port Authority employees shall be knowledgeable with terminal emergency procedures.
- 21.4.2 All terminal operator and Port Authority employees shall be knowledgeable with airport emergency procedures relating to their terminal.
- 21.4.3 In case of fire emergency, power outage or natural disaster emergency, the terminal operator and Port Authority employees shall coordinate evacuation procedures with Port Authority Police, airlines, TSA, airport tenants, CBP to ensure an efficient and orderly evacuation and resumption of services.
- 21.4.4 In the event of extended terminal services disruption caused by fire, power outage or natural disaster, the terminal operator and the Port Authority shall implement contingency plans in coordination with Port Authority Police, TSA, airlines, CBP and airport tenants.

21.0 – Orderly Evacuation and Resumption of Services

- 21.4.5 In case of a security emergency situation, terminal operator and Port Authority employees shall at the direction of the Port Authority Police direct all airport customers and employees through the security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency) in a safe, orderly, and efficient manner.
- 21.4.6 The terminal operator or Port Authority shall at all times have an on-duty employee designated as the “Emergency Representative” who will coordinate with Port Authority Police, TSA, airline, CPB and airport tenant emergency representatives during an emergency situation.
- 21.4.7 *The terminal operator shall make frequent public announcements using the public address system (or an alternative method if a public address system is unavailable) to inform airport customers of the nature of the emergency and the steps airport customers must take to remain safe during the emergency period.*
- 21.4.8 When the emergency situation subsides and clearance has been given to terminal operator to re-enter the terminal, the terminal operator shall immediately inform customers of the process to return safely to the terminal areas.
- 21.4.9 When applicable, airlines, terminal operators, Port Authority and airport tenants shall keep airport customers and employees informed by other communication methods, including but not limited to Flight Information Display System (FIDS), website, emails and mobile phones.
- 21.4.10 By the end of January each year, terminal operators shall submit the most up-to-date safety and evacuation plan for the terminal to the Port Authority, including the emergency contact listing, name, phone and title.
- 21.4.11 Terminal operator’s safety and evacuation plans shall be terminal specific to meet the needs of customers, employees, airlines and tenants operating in that facility.

21.5 *Communication and Public Announcements*

- 21.5.1 Terminal operators shall keep airport customers informed during emergency situations. Terminal operators shall maintain clear and effective communication with airport customers during emergency situations by, among other methods, frequent public announcements, FIDS and other communication methods as to the nature and seriousness of the emergency, the steps airport customers must take to get to safety, and the steps airport customers must take to reenter the building/terminal when the emergency situation subsides.

21.0 – Orderly Evacuation and Resumption of Services

21.6 *Directions and Assembly Locations*

- 21.6.1 Terminal operators and the Port Authority shall identify all entry and exit points in the terminals, parking garages, and AirTrain stations where airport customers and employees are to assemble in case of an emergency.
- 21.6.2 Emergency evacuation markings are to be consistent with Port Authority sign and building code standards.
- 21.6.3 Airport employees shall be aware of emergency situation assembly locations as delineated in emergency evacuation plans and shall give airport customers clear and concise directions to assembly locations during emergency situations.
- 21.6.4 In the event of an alarm for fire, all customers and tenants must exit the terminal building as directed by the appropriate emergency response representative until the arrival of the Port Authority Police incident commander at the nearest terminal exit. It is noted that the nearest terminal exit may place passengers and employees on the tarmac and Emergency Representatives should work with the Port Authority Police to ensure that passengers and employees remain in a safe location on the airside.
- 21.6.5 If the nearest terminal exit places passengers and employees on public roadways, an Emergency Representative should work with the Port Authority Police to ensure the assembly areas are safe for passengers and employees to remain and allow for adequate access for emergency vehicles.
- 21.6.6 In the event of power outage or natural disaster requiring immediate evacuation of the terminal or a portion thereof, clear and frequent instructions shall be communicated to the customers and employees until the affected premises have been fully evacuated.
- 21.6.7 In the event of a security emergency, all customers and tenants must exit the sterile area. Customers and tenants may therefore remain in non-secure areas such as ticketing and domestic baggage claim areas rather than exiting the terminal building.

21.7 *Departure Service Resumption Process*

- 21.7.1 When the emergency situation subsides to the point where departure service resume, employees and departing customers must be re-screened at the security checkpoint before re-entering the sterile area of the terminal. Employees and passengers shall be re-screened in an orderly and efficient manner. Employees that are essential for service to resume shall be re-screened according to the priority of departing flights.

21.0 – Orderly Evacuation and Resumption of Services

21.8 *Departure Service Resumption Process*

21.8.1 When the emergency situation subsides to the point where arrival service resumes, airline and airport tenant employees should return immediately to their workstations to expedite the processing of arriving passengers that could have been waiting for extended periods of time on an aircraft.

21.9 *Passengers Needing Assistance*

- Persons with Reduced Mobility are defined in Standard 19.0

21.9.1 Airport employees shall give priority assistance to persons with reduced mobility while exiting the terminal/airport during emergency situations and upon re-entry to the terminal/airport when the emergency situation subsides.

21.9.2 When required, public announcements shall be made in foreign language(s) and all uniformed airport employees should come to the assistance of Persons with Reduced Mobility in need of special assistance during the evacuation and resumption of services.

21.10 *First Aid Assistance*

21.10.1 Airport employees shall give priority assistance to people requiring first aid and/or medical attention outside the danger area.

21.10.2 Airport employees shall be knowledgeable of first aid stations in the terminal, and of medical facilities at the airport and shall provide appropriate assistance to airport customers needing medical attention.