

LEASE NO. [REDACTED]

LEASE BETWEEN

THE CITY OF NEW YORK
DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES
1 CENTRE STREET, 20TH FLOOR NORTH
NEW YORK, NEW YORK 10007

&

7 WORLD TRADE COMPANY, L.P.

Premises: 7 World Trade Center (Block 84, Lot 36),
Borough of Manhattan
Approximately 50,182 square feet of space
to be used by the
Mayor's Office of Emergency Management

3/13

Richie
It appears Ambassador 13
not agreeing to timeframes
for long-lead items.
Please call Jack
Shapiro (922-1020) and
try to nail down the
long-lead items.

DRAFT # 78
March 9 12, 1998

ENCLOSURE 4219.1016NEWL22.4

month) for the period commencing on the day next succeeding the expiration of the 2nd Rental Period and ending on the day next preceding the fifteenth (15th) anniversary of the Rent Commencement Date, both dates inclusive (the "3rd Rental Period"); and

(iv) TWO MILLION ONE HUNDRED SEVEN THOUSAND SIX HUNDRED FORTY-FOUR and 00/100 (\$2,107,644.00) DOLLARS (\$175,637.00 per month) for the period commencing on the day next succeeding the expiration of the 3rd Rental Period and ending on the Expiration Date (the "4th Rental Period"), which shall be payable in equal monthly installments at the end of each and every calendar month during the Term. The term "Rent Commencement Date" shall mean January 1, 1999 and be applicable solely as to Base Rent and additional rent for escalations under Article 4, it being agreed that all other additional rent and all other charges (including electricity under Article 10) shall begin on the day on which Tenant's Initial Work (as defined in Article 6) in the Demised Premises has been Substantially Completed (as defined in Article 6), except that construction cost additional rent shall be payable as set forth in Article 6; and

(b) "additional rent" consisting of all such other sums of money as shall become due from and payable by Tenant to Landlord hereunder (for default in payment of which Landlord shall have the same remedies as for a default in payment of Base Rent), all to be paid to Landlord at its office, or such other place, or to such agent and at such place, as Landlord may designate by notice to Tenant, in lawful money of the United State of America, by check drawn on a bank or trust company which is a member of the New York Clearing House Association (or successor thereto).

Tenant shall pay the Base Rent and additional rent herein reserved promptly as and when the same shall become due and payable, without demand therefor and without any abatement, deduction or setoff whatsoever except as expressly provided in this Lease. If the Rent Commencement Date occurs on a day other than the first day of a calendar month, the Base Rent for such calendar month shall be prorated and the balance of the first month's Base Rent theretofore paid shall be credited against the next monthly installment of Base Rent.

All bills sent by Landlord to Tenant shall have clearly reflected thereon the property, address, and block and lot for which the bill is being sent. All bills must be legible and must contain the address to which the payment should be sent. The name, address, and telephone number of the Landlord's contact person for billing inquiries must be provided to Tenant in the manner designated in Article 21 hereof. The parties acknowledge that Pilot (hereinafter defined) payable by Landlord to the Port Authority constitutes a component of Base Rent.

ARTICLE 3 **OPTION TO TERMINATE**

The Tenant shall have the right to terminate this Lease, in whole, without any penalty or liability to Tenant, except as provided in this Article, effective as of the end of the 2nd Rental

alarm subcontractors, whose bids shall be reasonably competitive for first class office buildings in Manhattan. If Tenant shall dispute that such bids of the sprinkler and fire alarm subcontractors are so reasonably competitive, said subcontractors shall be as designated by Landlord, subject to the right of Tenant to have such issue resolved by arbitration as provided in Paragraph (J) of this Article.

DRES shall, within five (5) business days of its receipt of Landlord's notice of the Work Cost, approve or disapprove the Work Cost. If DRES disapproves, it will meet with Landlord within five (5) ~~business~~ days to determine an agreed upon cost. As part of the process DRES will meet with the lowest bidder to resolve any discrepancies in unit prices and quantities. In the event Landlord and DRES are unable to resolve their differences and agree upon the Tenant's Initial Work cost items, Landlord shall solicit bids from at least three (3) new subcontractors designated by DRES in which case the procedures and time frames with respect to the bids shall apply to such additional bids and bidders. Within five (5) business days from approval of the Tenant's Work Cost and prior to commencing construction, Landlord will upon receipt submit a copy of the work permit (or alternative document issued by the Port Authority) to DRES. Landlord shall commence construction within ~~five~~ (5) business days after the later of (x) approval by Tenant of the Work Cost or and (y) receipt by Landlord of Port Authority approval to commence construction, which later date is herein sometimes called the "Construction Commencement Date". All subcontractors shall be approved by Landlord, have a good reputation, be acceptable for the performance of such work in other first class office buildings in Manhattan to meet Landlord's reasonable requirements for the Building.

The Work Cost shall be subject to audit by the Department of Citywide Administrative Services and/or its authorized representative. Such costs may, in the discretion of the Comptroller of the City of New York, also be post-audited by the Comptroller.

(C) In all instances where Tenant is required to supply information or authorizations with regard to Tenant's Initial Work, Tenant shall supply the same within three (3) business days after written request therefor by Landlord, except in such unusual case where more than three (3) business days shall be reasonably necessary due to the nature of such request but, Tenant shall promptly commence and diligently proceed to supply the same to Landlord.

(D) Except as provided in this Article, Landlord shall not be required to spend any money or to do any work to prepare the Demised Premises for Tenant's occupancy. The specification of Tenant's Initial Work represents the limit of Landlord's responsibilities in connection with the preparation of the Demised Premises and except as so provided, Tenant shall take the Demised Premises "as-is". Any other improvements, alterations or additions shall be performed by Tenant, but subject to all of the terms, conditions and covenants of this Lease.

(E) Landlord makes no representation of the date on which it will Substantially Complete (hereinafter defined) Tenant's Initial Work, and Landlord shall be under no penalty or liability to Tenant whatsoever by reason of any delay in such performance and this Lease shall not

be affected thereby, except as set forth in the last sentence of this Paragraph (E) and Paragraph (L). In no event shall the Expiration Date be postponed beyond January 31, 2018. Landlord agrees that it will use reasonable efforts to obtain contracts for the performance of the work required to be performed by it and to arrange to have all such work commenced without delay and prosecuted without unnecessary interruption until completion. Notwithstanding the preceding, Landlord shall use its best efforts (at no additional expense) to Substantially Complete Tenant's Initial Work within six (6) months after approval of the bids of all trades necessary for Substantial Completion of the Demised Premises the Construction Commencement Date (the "Target Date"), excluding the Long Lead Items/Work set forth on Schedule 1 annexed hereto (the "Scheduled Items"). In the event (a) Landlord shall fail to meet and default in performing its obligations in the time periods provided in Paragraph B hereof not due to a Tenant delay (as set forth in this Article) or fault of Tenant to perform its obligations under this Lease and (b) Tenant's Initial Work shall not be Substantially Completed (as hereinafter defined) excluding the Scheduled Items on or prior to the Target Date not due to a Tenant delay (as set forth in this Article) or fault of Tenant to perform its obligations under this Lease, and (b) (c) Tenant shall not have taken possession of any portion of the Demised Premises, then, the Rent Commencement Date shall be adjourned one (1) day for each one (1) day after the Target Date that Tenant's Initial Work shall have failed to have been Substantially Completed.

F. Tenant shall be permitted to enter into the Demised Premises for installation of its machinery, furniture, equipment and fixtures and performance of its work, all as permitted by this Lease prior to Substantial Completion at its sole risk, provided that such entry and work do not interfere in any way with Landlord's performance of the work to be done by Landlord. At any time during such period of prior entry, if Landlord notifies Tenant that Tenant's entry or work is interfering with or delaying Landlord's performance of Tenant's Initial Work, Tenant shall forthwith discontinue any further work and shall remove from the Demised Premises and shall cause its workmen or contractors to remove therefrom, any equipment, materials or installations which are the subject of Landlord's notice.

(G) Subject to the provisions of this Article 6 and Article 11, all work performed by Landlord, including the Building air conditioning installation, shall, upon installation, become Landlord's property (excluding Tenant's trade fixtures, personal property and equipment) and shall be surrendered at the expiration or sooner termination of the Term of this lease, in good condition, reasonable wear and tear excepted.

(H) (a) For the purposes of this Article, Tenant's Initial Work shall be deemed to be Substantially Completed when (i) all work is completed (including necessary sign-offs of The Port Authority), excepting the Scheduled Items and minor details of construction or decoration which do not materially adversely affect Tenant's use of the Demised Premises ~~(or when all work (except as aforesaid) would have been completed but for delays caused by Tenant as provided in this Paragraph (H) or otherwise)~~, and (ii) a certified air balancing report approved by Landlord's engineer as being in conformance with the Final Plans has been delivered to the Tenant. Tenant shall promptly submit to Landlord a "punch-list" of such minor unfinished work which punch-list

items, undisputed by Landlord, will be diligently completed. Tenant shall periodically inspect Tenant's Initial Work and make any objections thereto, if called for, without delay, so as to mitigate changes, delays and costs. Landlord shall give Tenant notice ("Landlord's Completion Notice") of Substantial Completion of the Demised Premises on or promptly after the date of Substantial Completion, which notice shall include the items under (i) (Port Authority sign-offs) and (ii) above. Tenant shall certify or deny certification of Substantial Completion ("Certification") to Landlord within three (3) business days after receipt of Landlord's Completion Notice. Failure by Tenant to respond within said three (3) business day period, shall be deemed Certification by Tenant. If Tenant shall deny Certification, Tenant shall state in writing in reasonable detail the reasons for such denial but, in any event, Substantial Completion shall be deemed to have occurred on the date set forth in Landlord's Completion Notice, subject to the right of Tenant to have such issue resolved by Arbitration as provided in Paragraph (J) of this Article.

(b) Tenant specifically acknowledges and agrees that the Work Cost may increase and there may be delay in completion of Tenant's Initial Work by reason of (i) subject to Paragraph (C) hereof, unreasonable delay or failure by Tenant in supplying information or giving authorizations; (ii) interference by Tenant or Tenant's contractors with the performance of Tenant's Initial Work after notice to Tenant; (iii) additional work or changes or new materials requested by Tenant, it being agreed that Landlord's response to Tenant's request for additional work or changes or new materials shall include the cost thereof and estimated resulting delay time; or (iv) any resubmissions or revisions of Tenant's Final Plans (without regard to any time periods granted to Tenant hereunder for making such resubmissions or revisions). Corrections of errors in the Final Plans shall not be deemed a Tenant delay. Landlord shall advise Tenant within one (1) business day after Landlord has knowledge of any condition or occurrence or act which will result in a delay under this Paragraph, which delay shall be deemed to have commenced, at Landlord's option, on the earlier of the date of receipt by Tenant of Landlord's said notice or one (1) business day sooner. At Landlord's option, Substantial Completion shall occur on the date on which Tenant's Initial Work would have been Substantially Completed if not for the occurrence of any such delays.

(1) Notwithstanding anything contained to the contrary in this Lease, the total cost of Tenant's Initial Work which Landlord shall provide Tenant without charge and for installations performed prior to Substantial Completion shall be, as of February 12, 1998, the sum of \$1,668,858.00 (the "Landlord's Contribution"), subject to reduction for increase in the Architect's fees and/or services as provided in Paragraph (B)(a) hereof. The Work Cost in excess of Landlord's Contribution will be paid by Tenant. Tenant shall not authorize a change order or changes or new materials to create a Work Cost in excess of \$14,287,986.00. The balance of the Work Cost in excess of Landlord's Contribution, up to the sum of \$12,619,128.00 shall be borne by Tenant. If the Work Cost (including Landlord's Contribution) exceeds \$14,287,986.00, Tenant shall promptly meet with Landlord to resolve the overage, but the preceding shall not affect Tenant's responsibility for payment of the Work Cost in excess of Landlord's Contribution. Provided Landlord has commenced and is proceeding with reasonable diligence in the performance

of Tenant's Initial Work, payment by Tenant of the Work Cost in excess of Landlord's Contribution shall be made as ~~construction cost additional rent~~ as follows: (i) within 60 days following approval of the bids of all trades necessary for Substantial Completion of the Demised Premises, but not earlier than 60 days after receipt by Tenant of an invoice therefor, Tenant shall pay to Landlord the sum of \$3,500,000.00, (ii) within 120 days following approval of the bids of all trades necessary for Substantial Completion of the Demised Premises, but not earlier than 60 days after receipt by Tenant of an invoice therefor, Tenant shall pay to Landlord an additional sum of \$3,500,000.00, and (iii) 30 days after Substantial Completion, Tenant shall pay to Landlord the balance of the Work Cost in excess of Landlord's Contribution. Said payment by Tenant upon Substantial Completion may exclude the undisputed value of uncompleted punch list items and uncompleted Scheduled Items, which amount shall be paid promptly by Tenant after completion by Landlord. Any late payment by Tenant after ~~the said above~~ stated dates shall be made together with interest at 10% per annum, compounded daily from date due to date of payment, but in no event more than the highest rate of interest which at the time shall be permitted under the laws of the State of New York.

(J) Any dispute regarding the determination of Substantial Completion of Tenant's Initial Work shall be resolved by arbitration, in the manner by the rules and before the American Arbitration Association (or any successor organization) in New York County. The party desiring arbitration shall appoint as arbitrator on its behalf, a person having at least 10 years relevant experience and give notice written notice to the other party who shall, within 15 days thereafter, appoint a second person having at least 10 years relevant experience and give written notice thereof to the first party. The arbitrators so appointed, shall within 15 days following the appointment of the second arbitrator appoint a third disinterested person having no less than 10 years relevant experience.

Said arbitrators shall, as promptly as possible (but in any event within 30 days following the appointment of the third arbitrator) determine the dispute by a majority of the arbitrators, whose decision shall be binding and conclusive upon the parties hereto. Each party shall bear its own fees and expenses of (i) its own attorneys and other experts and the arbitrator that it selected and (ii) be responsible for one-half the fees and expenses of the third arbitrator.

The arbitrators shall have no power to vary or modify any of the provisions of this Lease, and their powers and jurisdiction are limited accordingly. The decision of the arbitrators shall be binding upon the parties, and may be entered as a judgment in any court having jurisdiction thereover.

(K) If Tenant shall fail to make timely payment of any sums payable to Landlord pursuant this Article, then, in addition to all other rights and remedies afforded Landlord in the event of such non-payment, Landlord may, without notice to Tenant, discontinue the performance of Tenant's Initial Work, including any additional work (or any items thereof) until such time as Tenant makes payment to Landlord of all such past due sums and provides Landlord with adequate assurance of the timely payment of all additional sums which may or shall be payable by

Tenant pursuant to this Article. Any delay resulting from the discontinuance of Tenant's Initial Work and/or additional work (if any) pursuant to this Paragraph shall be deemed a delay caused by Tenant.

(L) Notwithstanding the foregoing provisions of this Lease, in the event that Landlord fails to Substantially Complete Tenant's Initial Work in the Demised Premises prior to December 31, 1999 (through no Tenant delay as provided in Paragraph H or fault of Tenant to perform its obligations under this Lease) and subject to force majeure, Tenant shall have the right to terminate this Lease within the following ten (10) days by giving notice thereof to Landlord. Upon receipt of such notice by Landlord, all liability between the parties hereto shall be extinguished. The foregoing right of termination shall be Tenant's exclusive remedy with respect to the failure to deliver possession and the Term shall expire upon the tenth (10th) day after such notice is given.

ARTICLE 7 **CERTIFICATE OF OCCUPANCY; COMPLIANCE WITH LAWS**

Landlord agrees to deliver to the Department of Citywide Administrative Services a Certificate of Occupancy or other sufficient indicia of legality for use of the premises for the purposes set forth in this Lease and same shall be a prerequisite to the official assumption of occupancy by Tenant.

Tenant's Initial Work shall include all permits necessary to legalize the Demised Premises, the alterations and improvements specified herein and to comply with all requirements, rules, laws, regulations and orders of Federal, State and local authorities and of any board of fire underwriters having jurisdiction over the Demised Premises or the Real Property, including, without limitation, as of date of Substantial Completion, the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq. ("ADA"). With respect to the ADA and regulations promulgated during the Term, Landlord shall comply with and perform the Landlord's obligations, if any, imposed upon owners of office buildings as a class including all common areas that service the Demised Premises in and around the Building. Tenant shall comply with and perform all obligations arising from Tenant's specific manner of use of the Demised Premises and any alterations performed by Tenant. Subject to Landlord's right to contest, Landlord shall remove all violations which may be placed against the Demised Premises, except those violations caused by Tenant's acts, omissions or breach of the terms of this Lease.

ARTICLE 8 **REAL ESTATE TAXES, ASSESSMENTS, WATER RATES,** **SEWER RENTS, ARREARS**

(A) If Landlord shall become the fee owner of the Real Property, Landlord shall pay all real estate taxes, assessments, water rates and sewer rents (if any) levied against said Building and Land for the tax lot where the Demised Premises is located or that may be liens thereon.

Upon request, Landlord shall provide Tenant with receipted bills, payment receipts or other back-up information reasonably satisfactory to Tenant evidencing Landlord's payment thereof within five (5) business days after Tenant shall give notice to Landlord requesting such evidence of payment.

(B) Additionally, if Landlord is in arrears in payment to the Port Authority of Pilot for the Demised Premises, then Tenant may upon five (5) days notice to Landlord, apply any rent due or that may become due and payable under this Lease to the payment of such arrears and as long as such arrears are unpaid, no action or proceeding may be maintained by Landlord against Tenant for nonpayment of rent.

ARTICLE 9 **LANDLORD'S SERVICES**

(A) (i) From and after Substantial Completion of the Demised Premises, Landlord, at Landlord's expense, shall furnish heat to the peripheral heat units in the Demised Premises and ventilation and condenser water to the Building air conditioning equipment located on each floor of the Demised Premises ("HVAC"), through the Building systems, for reasonably comfortable occupancy of the Demised Premises, from 8:00 A.M. to 6:00 P.M. ("business hours") on business days. If Tenant shall install supplemental air conditioning in the Demised Premises requiring condenser water, solely to the extent the building risers and tower have available capacity, Landlord shall furnish condenser water therefor and Tenant shall pay Landlord's then established reasonable charges in connection therewith as additional rent within 45 days after demand. The term "business days", as used in this Lease, shall mean all days except Saturdays, Sundays and the days observed by the Federal or the New York State or City governments as legal holidays and such other days as shall be designated as holidays by the applicable operating engineers union contract or building service employees union contract. Landlord and Tenant shall operate the HVAC equipment in accordance with their design criteria; provided, however, that Landlord may reduce such level of operation in accordance with a recognized energy or water conservation program, guidelines, regulations or recommendations promulgated by any Federal, State, City or other governmental or quasi-governmental bureau, board, department, agency, office, commission or other subdivision thereof or the American Society of Heating, Refrigeration and Air-Conditioning Engineers, Inc. or any successor thereto or other organization serving a similar function. The air conditioning equipment on the 23rd floor of the Demised Premises (including any supplemental air conditioning equipment) within and servicing the Demised Premises shall be operated by Tenant and maintained, repaired and replaced by Landlord at Tenant's sole cost and expense and upon expiration of the Term, shall be surrendered to Landlord in working order and repair. At all times during the Term, Landlord acting for Tenant and at Tenant's expense, shall contract with the air conditioning contractor designated by Landlord for the performance of such maintenance and repairs to maintain the design criteria of said equipment. The electricity used to operate the HVAC equipment on the 23rd floor shall be connected at Tenant's expense to Tenant's electric meter and shall be paid by Tenant as provided in Article 10 hereof. Landlord will, during business hours of business days, at its expense,

long as the 7th floor portion of the Demised Premises shall be used solely for installation and maintenance of Tenant's generator, said subsections (ii) through (v) shall be of no effect and Landlord shall have no obligation to supply any services to said space. ~~From and after the date such space shall be used by Tenant for other than Tenant's generator and upon~~ Upon not less than 15 days notice by Tenant to Landlord, the provisions of said subsections (ii) through (v) inclusive shall be effective.

(B) If Tenant shall require heating service at any time other than during business hours on business days ("after hours"), Landlord shall furnish the same upon advance notice from Tenant, given prior to 2:00 P.M. on any business day on which Tenant requires such after hours heat or if Tenant shall desire heat on a day other than a business day, Landlord shall furnish the same upon advance notice from Tenant given prior to 2:00 P.M. on the last business day prior to such non-business day, and Tenant shall pay Landlord's cost therefor as additional rent within 45 days after demand. In the event of a Tenant emergency, Landlord shall use its best efforts to furnish such after hours heat upon shorter notice from Tenant, it being agreed that all costs incurred by Landlord for such emergency heat shall be paid by Tenant to Landlord within 45 days after demand accompanied by a reasonably detailed statement. If any other tenant shall request and receive heat after hours at the same time as Tenant, only an equitably prorated portion of the charge therefor shall be allocated to Tenant.

(C) Landlord shall not be responsible if the normal operation of the Building HVAC system shall fail to provide service in accordance with the requirements of this Lease in any portions of the Demised Premises (a) which shall have an electrical demand in excess of 3-1/2 watts per rentable square foot of the Demised Premises for all purposes (including lighting and power) or which shall have a human occupancy factor in excess of one person per 100 rentable square feet of the Demised Premises, or (b) because of any arrangement of partitioning or the making of any other Tenant's alterations or the installation and operation of machines and equipment. In the event Landlord has consented to such Tenant's alterations, or machines and equipment, Landlord, at Tenant's expense, shall make such changes in the HVAC system, including the ductwork, as Tenant may require, but only with Landlord's prior consent and in accordance with the terms of Article 11. Tenant shall cooperate fully with Landlord at all times and abide by all regulations and requirements which Landlord may reasonably prescribe for the proper functioning and protection of the HVAC system.

(D) (i) Commencing on Substantial Completion of the Demised Premises, Landlord, at its expense, shall provide public elevator service, passenger and freight, by elevators serving the floor on which the Demised Premises are situated during regular hours of business days, and shall have at least one passenger elevator subject to call at all other times (i.e. 24 hours per day, 7 days per week), subject however to Landlord's right to stop or interrupt such elevator service pursuant to the provisions of Paragraph (H) hereof.

(ii) Commencing on Substantial Completion of the Demised Premises, in the event of a City of New York emergency, upon notice to Landlord, Landlord shall make available

Landlord is not responsible for making any repairs to Tenant's Initial Work, Tenant's installations, alterations, additions or improvements, except if due to Landlord's willful acts or negligence.

In the event Landlord fails to fulfill its obligations, Tenant may, in addition to its other remedies, give written notice to Landlord specifying the repairs required by Tenant and Landlord shall commence performance of such work within three (3) business days after the giving of such notice (~~initiating necessary telephone calls being deemed commencement~~) and diligently proceed to complete said work, provided, however, that if such work shall be of a nature that the same cannot be commenced within such period, Landlord shall commence such work as soon as reasonably practicable and diligently proceed to complete said work.

Anything to the contrary notwithstanding, in the event the repairs to be performed by the Landlord are required to correct a hazardous condition or to end an emergency which renders the premises unsuitable for the use set forth herein (excluding fire or casualty), Tenant shall give Landlord, its agent, superintendent or the person designated to receive such notice, immediate notice in writing, personally (against a signed receipt) or by certified mail, and Landlord, within one (1) business day of receiving said notice, subject to the proviso contained in the immediately preceding paragraph, shall commence (~~initiating necessary telephone calls being deemed commencement~~) the repairs and diligently proceed with continuity to complete said work. In the event Landlord fails to commence and complete said work after said notice, as aforesaid, Tenant may, upon notice to Landlord and as agent for the Landlord, perform same and deduct the reasonable cost thereof from any rent due or that may become due and payable under this Lease.

In the event Tenant is unable to use any part or all of the Demised Premises because of Landlord's failure to perform such work as set forth in the two preceding paragraphs hereof, the rent shall be reduced, during such period, proportionately to the diminution in space resulting from such failure.

Excluding Tenant's personal property, Landlord shall, upon Tenant's request and at Tenant's expense, make necessary repairs to Tenant's Initial Work, Tenant's alterations and improvements in the Demised Premises.

Notwithstanding anything to the contrary in Article 13 hereof, Landlord shall be responsible for the performance and cost of all repairs resulting from defects of materials and workmanship in construction of Tenant's Initial Work during the first year immediately following Substantial Completion of such portion of Tenant's Initial Work.

Following such first year, with respect to Tenant's repair obligations, upon Tenant's request, to the extent existing and assignable, Landlord shall assign to Tenant the beneficial interest in all warranties and guarantees received by Landlord from contractors and materialmen engaged in its performance, as well as the right to enforce any contracts made with such contractors and materialmen. Landlord hereby agrees to cooperate fully with Tenant in the event

containing material.

ARTICLE 27
LANDLORD'S REPRESENTATIONS

Landlord hereby warrants that, to the best of its knowledge, it is not in default of any obligation to the City of New York, nor is Landlord, its officers, principals or stockholders a defendant in any action instituted by the City.

At date hereof, the partners of 7 World Trade Company, L.P., owner of the leasehold estate of the Underlying Lease, are Silverstein-7 World Trade Company, Inc., a Delaware corporation, the corporation which is the general partner of Landlord, whose officers are as follows: Larry A. Silverstein - President, Joseph P. Ritiro - Senior Executive Vice President and Howard Shapiro - Senior Vice President, Secretary and Treasurer. The sole shareholder of said corporation is Larry A. Silverstein. The limited partners of 7 World Trade Company, L.P. are Silverstein Development Corporation and Klara Silverstein.

*[Subject to Landlord confirmation.]

ARTICLE 28
NO WAIVER

The failure by Landlord or Tenant to insist, in one or more instances upon the full performance of any of the covenants, conditions or obligations of the other party shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition, and the consent or approval by Landlord or Tenant to or of any act requiring such consent or approval shall not be construed to waive or render unnecessary consent or approval to or of any subsequent similar act. No provision of this Lease shall be deemed to have been waived by Tenant or Landlord unless such waiver be in writing signed by the party against whom it is to be charged.

ARTICLE 29
BROKERAGE

Landlord and Tenant represent to the other that neither has dealt with any broker in connection with this Lease other than CB COMMERCIAL REAL ESTATE GROUP, INC. ("Broker"). Landlord shall pay any commission owing to the Broker. Tenant and Landlord hereby indemnify and hold each other harmless against all loss, damage liability, cost and expense of any nature (including reasonable attorney's fees and disbursements) based on any claim by any party other than the Broker with whom such indemnifying party has dealt for a commission or other compensation in connection with this Lease which is based on the actions of such party or its agents or representatives. The indemnified party shall cooperate with the indemnifying party in any defense; the indemnified party shall not settle a claim, liability or action for which the indemnifying party has the obligation to defend or indemnify without the indemnifying party's consent, which consent shall not be unreasonably withheld or delayed. The

if earlier). In the event an Untenantable Condition shall result from circumstance referred to in Article 22, the reference to "ten (10) consecutive days" and the "eleventh (11th) consecutive day" shall be charged to "twenty (20) consecutive days" and the "twenty-first (21st) day." This subsection N shall be in lieu of any right to which Tenant is otherwise entitled by law to claim a constructive eviction by reason of Landlord's failure to make such repairs, or supply such essential services.

(O) Tenant shall have the right to maintain a fuel tank and related equipment as shown on the Preliminary Plans (as defined in Article 6), subject to the provisions of this Lease.

ARTICLE 34 **DEFINITIONS**

(a) The term Underlying Lease shall mean the Agreement of Lease between The Port Authority of New York and New Jersey as Lessor and Landlord as Lessee dated as of December 31, 1980, a Memorandum of which was recorded in the Office of the Register of the City of New York, County of New York in Reel 550, Page 611, as amended by Supplement #1 dated as of June 30, 1983, a Memorandum of which was recorded in said Register's Office in Reel 836, Page 1648; by Supplement #2 dated as of July 1, 1983, a Memorandum of which was recorded in said Register's Office in Reel 843, Page 309; by Supplement #3 dated as of December 4, 1987, a Memorandum of which was recorded in said Register's Office in Reel 1337, Page 2287; by Supplement #4 dated as of August 28, 1990, a Memorandum of which was recorded in said Register's Office in Reel 1725, Page 1332; by Supplement #5 dated as of June 30, 1991, a Memorandum of which was recorded in said Register's Office in Reel 1946, Page 665; by a Settlement Agreement dated as of April 20, 1984, between Landlord, the Port Authority and the City of New York; and an Amended and Restated Settlement Agreement dated as of June 30, 1991, between Landlord, the Port Authority and the City of New York; and as the same may be hereafter amended.

(b) The term Port Authority shall mean The Port Authority of New York and New Jersey, a body corporate and politic created by compact between the States of New York and New Jersey with the consent of the Congress of the United States of America.

(c) The term Ground Lessor shall mean the Port Authority and any successor thereof which is the owner and holder of the Lessor's interest in the Underlying Lease.

(d) The term Real Property shall mean the Building and the Land and all easements, air rights, development rights and other appurtenances thereto.

(e) The term Solomon Lease shall mean the Lease dated November 23, 1988 as amended, between Landlord and Solomon Inc. leasing space in the Building (or any successor thereto).

ARTICLE 35 **TENANT'S ANTENNA**

Landlord agrees that, subject to the prior written approval of the Port Authority, if required under the Underlying Lease and all laws, ordinances, statutes, rules and regulations of all governmental authorities having jurisdiction thereof, and further subject to the provisions of the Salmon Lease and the conditions and limitations hereinafter stipulated, Tenant shall, during the term of this Lease, have the right (hereinafter called the "Antenna Option") to install on a portion of the rooftop of the Building and thereafter maintain, repair, and operate communications equipment (which may consist of one (1) or more dishes or antennae) installed in an area not exceeding two (2) square feet in area (hereinafter referred to as the "Communications Dish") and equipment room at the location shown on Exhibit F annexed hereto and as detailed in the Preliminary Plans, which Communications Dish is intended to receive and/or send signals on the roof of the Building as an incident to the conduct of Tenant's business in the Demised Premises, provided and on condition that: (i) ~~at the time that Tenant shall exercise the Antenna Option, there shall be available on the roof a location appropriate, in Landlord's reasonable judgment, for the Communications Dish, which shall not then be encumbered by any option or right given by Landlord to any other tenant or occupant of the Building or any others to use or occupy such space, and which is not intended for the installation of any equipment, such as a cooling tower or generator, by Landlord, and which would not, after the installation of the Communications Dish, shall not interfere with the installation, operation or maintenance of any other antenna, dishes or equipment theretofore installed on thereof the roof of the Building (such location is hereinafter called the "Antenna Area"); it being understood and agreed that if, in Landlord's reasonable judgment, no such appropriate location exists, then Landlord shall give Tenant notice of the next availability of Antenna Area, and Tenant shall have the right to thereafter install a Communications Dish in accordance with the provisions hereof;~~ (ii) the size and dimensions of the Communications Dish and any reasonably required support structures as well as the location of the portion of the rooftop for such installation shall be subject to Landlord's prior consent, such consent not to be unreasonably withheld or delayed as shown on said Exhibit F and the Preliminary Plans; (iii) no such equipment shall extend higher than the parapet of the roof of the Building; (iv) the Communications shall be placed within the Antenna Area; (v) the installation and position of such Communications Dish and required support structures shall comply with the laws and requirements of any public authorities; (vi) the installation of any electrical or communications lines ("Wiring") in connection with the installation and operation of the Communications Dish, as well as the manner and location (i.e., routing) of all Wiring in connection therewith shall (A) be at Tenant's sole cost and expense, (B) be subject to Landlord's prior consent, such consent not to be unreasonably withheld or delayed; and (C) comply with the laws and requirements of any public authorities; (vii) the Communications Dish; reasonably required support structures, and Wiring shall be maintained and kept in good repair by Tenant at Tenant's sole cost and expense; and (viii) Tenant shall not install the Communications Dish without Landlord's prior approval of (A) the manner of such installation and (B) detailed plans and specifications for such installation, such approval not to be unreasonably withheld or delayed. Landlord approves the installation shown on the

Preliminary Plans. The parties agreed that Tenant's use of the rooftop of the Building is a nonexclusive use and Landlord may permit the use of any other portion of the roof to any other person, firm or corporation for any use including, without limitation, the installation of other communications dish and support equipment.

(B) ~~Tenant shall exercise the Antenna Option by giving Landlord written notice thereof (hereinafter called "Tenant's Option Notice") at any time during the term of this Lease. Such notice shall include specifications for the Communications Dish and the proposed manner of mounting same in the Antenna Area. Landlord shall reasonably promptly thereafter give Tenant notice whether or not an Antenna Area exists for the Communications Dish. In the event that such Antenna Area is available for Tenant, or when such Antenna next becomes available, then the following provisions of this Article 35 shall apply: Intentionally Omitted.~~

(C) Tenant shall pay to Landlord, without notice or demand and without any abatement, deduction or setoff whatsoever, fixed annual roof rent in the amount of \$42,000.00 per annum, which shall be payable in equal monthly installments at the end of each and every calendar month during the Term.

(D) For the purpose of installing, servicing or repairing the Communications Dish and related equipment, Tenant shall have access to the rooftop of the Building upon prior reasonable request of Landlord. All access by Tenant to the roof of the Building shall be subject to the supervision and control of Landlord and to Landlord's reasonable safeguards for the security and protection of the Building, the Building equipment and installations and equipment of other tenants of the Building as may be located on the roof of the Building. Landlord shall have the right to assign an Building representative to be present during the duration of Tenant's access to the rooftop and Tenant shall pay the Landlord's customary charges therefor as additional rent.

(E) Tenant, at Tenant's sole cost and expense, agrees to promptly and faithfully obey, observe and comply with all laws, ordinances, regulations, requirements and rules of all duly constituted public authorities (including the Port Authority) in any manner affecting or relating to Tenant's use of said roof as to the installation, repair, maintenance and operation of any support structures and Communications Dish erected or installed by Tenant pursuant to the provisions of this Article 35. Tenant, at Tenant's sole cost and expense, shall secure and thereafter maintain all permits and licenses required for the installation and operations of the Communications Dish and any support structures erected or installed by Tenant pursuant to the provisions of this Article 35, including, without limitation, any approval, license or permit required from the Federal Communications Commission. In no event shall the maximum level of microwave emissions from the Communications Dish exceed the safety level allowable for the Building as determined by the Governmental authorities (including the Port Authority) having jurisdiction thereof.

(F) Tenant agrees that Tenant shall pay for all electrical service required for Tenant's use of the Communications Dish and related equipment erected or installed by Tenant

SCHEDULE 1

LONG LEAD ITEMS/WORK

1. Generator and all equipment supplied by the generator manufacturer including, without limitation, parallel switch gear.
2. Pumps for fuel oil, water, etc.
3. Items which must be specifically manufactured or fabricated.

Richie
Additional items?
Timeframes?