

LEASE NO. \_\_\_\_\_

**LICENSE AGREEMENT BETWEEN**

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

**&**

**7 WORLD TRADE COMPANY, L.P.  
521 FIFTH AVENUE  
NEW YORK, NEW YORK 10175**

---

**Premises: 7 World Trade Center (Block 84, Lot 36),  
Borough of Manhattan  
Entire 23<sup>rd</sup> floor  
to be used by Mayor's Office of Emergency Management**

---

\*\*\*\*\*

|                           |            |
|---------------------------|------------|
| Date Prepared _____       | Date _____ |
| Review by: Attorney _____ | Date _____ |
| Architect _____           | Date _____ |
| Negotiator _____          | Date _____ |
| SENT TO LANDLORD _____    | Date _____ |

**FILE NO. 4219.1016  
NOVEMBER 18, 1997  
DRAFT #3 4**

A:\7WTLIC4.WPD

NO.987 P002

11/18/97 10:14 CARB LURIA LLP

**THE CITY OF NEW YORK  
DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES  
DIVISION OF REAL ESTATE SERVICES  
ONE CENTRE STREET, 20TH FLOOR NORTH  
NEW YORK, NEW YORK 10007**

**LICENSE AGREEMENT** (hereinafter referred to as "License") made as of this 18<sup>th</sup> day of November 1997, between 7 World Trade Company, L.P. whose address is 521 Fifth Avenue, New York, New York 10175, hereinafter designated as Licensor, and THE CITY OF NEW YORK, a municipal corporation, acting through the Department of Citywide Administrative Services ("DCAS"), with an address at 1 Centre Street, 20th Floor North, Suite 2000, New York, New York 10007, hereinafter designated as Licensee.

**WITNESSETH:**

**WHEREAS**, the parties hereto desire to enter into a License of office space pursuant to the terms and conditions set forth herein and for the specific purposes outlined in Article 5 hereof, and

**WHEREAS**, the City of New York, as authorized by the Mayor, may enter into a License for the "Licensed Premises," as defined herein to be executed on behalf of the City by the Deputy Mayor of the City of New York, after approval as to form by the Corporation Counsel; and

**WHEREAS**, Silverstein-7 World Trade Company, Inc. as General Partner of Licensor

A:\7WTLIC4.WPD

in the same manner as notices are permitted to be given to Licensee under this License, (4) not to interpose any answer, defense, objection or counterclaim therein, (5) not to make any motion therein, (6) to consent to entry of final judgement of possession in favor of Licensor, (7) to comply fully with said judgement and vacate the Licensed Premises and not to appeal from or oppose the same, and (8) to consent to the issuance of a warrant of eviction against Licensee, to comply fully therewith and not to appeal from or oppose the same.

## **ARTICLE 1**

### **COMMENCEMENT; TERM; TERMINATION**

This License shall commence as of the date this License is fully executed by Licensor and Licensee (the "Commencement Date") and will continue until terminated by Licensor or Licensee as hereinafter provided. During the term of this License, Licensor agrees not to execute a lease of the Licensed Premises with any party other than Licensee.

Subject to the provisions of this License to the contrary, either Licensor or Licensee may terminate this License on thirty (30) days written notice to the other at any time and for any reason (the thirtieth (30th) day following delivery of said notice being hereinafter called the "Expiration Date").

In the event Licensee terminates this License, subject to the last sentence of this Article, then within sixty (60) days after the Expiration Date, Licensee shall pay to Licensor a portion ("Licensee's Share") of the cost approved and authorized by Licensee pursuant to Article 5 hereof for the following (collectively the "Licensor's Work Cost"): (a) architect's fees, engineering fees and related consultant fees; (b) expeditor's fees and filing and permit fees for the submission of

same to the appropriate governmental authorities, including, without limitation, the Port Authority of New York and New Jersey (the "Port Authority") for approval, all in connection with Landlord's preparation of the Final Plans as defined and described in Article 5 below.

Licensee's Share of Licensor's Work Cost shall be an amount equal to (x) fifty percent (50%) of the first \$400,000.00 of Licensor's Work Cost plus (y) one hundred percent (100%) of Licensor's Work Cost in excess of said \$400,000.00, up to the additional sum of \$100,000, it being agreed that Licensor's ~~share~~ Share of Licensor's Work Cost shall not exceed the sum of \$200,000.00 and that Licensee ~~shall be responsible for all's Share~~ of Licensor's Work Cost's in excess of said ~~\$200,000.00 assumed by Licensor~~ shall not exceed the sum of \$300,000.00.

In addition to the Licensee's Share of Licensor's Work Cost, Licensee shall concurrently therewith pay to Licensor (i) the attorneys fees and expenses incurred by Licensor in connection with this License and the proposed lease by Licensee, as tenant, of the Licensed Premises, plus (ii) interest calculated at an annual rate of ten percent (10%) from dates of payment by Licensor of Licensor's Work Cost and said attorneys fees and expenses, to date of payment by Licensee.

Licensor shall provide Licensee with a statement of all such costs together with reasonably detailed back-up documentation within fifteen (15) business days after Licensee's giving of a termination notice, or if applicable, the expiration of the License. Such costs shall be subject to audit by DCAS and/or its authorized representative and post-audit by the Comptroller for the City of New York.

If, prior to the Expiration Date, Licensee shall terminate this License by reason of Licensor's breach of the terms of this License and Licensee cannot thereby enter into a lease of the

Licensed Premises because of uncompleted Licensors Work pursuant to Article 5 hereof through no fault or neglect of Licensee, no Licensors Work Cost shall be payable. If, prior to the Expiration Date, Licensors shall terminate this License, except if due to a breach of the terms of this License by Licensee, no Licensors Work Cost shall be payable from Licensee to Licensors. If Licensee shall fail to execute and deliver a lease of the Licensed Premises on or prior to January 15, 1998, Licensors may elect to terminate this License upon five (5) days written notice to Licensee and no Licensors Work Cost shall be payable by Licensee, except that Licensee shall pay the attorneys fees and expenses and interest set forth in the fourth paragraph of this Article. The Licensors Work Cost payment under this License shall also be waived in its entirety if Licensors and Licensee execute and deliver a lease of the Licensed Premises during the term of this License pursuant to Article 3 of this License, subject to the provisions of said lease.

## ARTICLE 2

### LICENSE FEE

Subject to the following provisions of this Article and performance of Licensors obligations under Article 5, Licensee shall pay a license fee of one dollar (\$1.00) upon the Expiration Date. The license fee shall be payable at Licensors address hereinbefore set forth or at such other address as may be designated by Licensors from time to time, by notice in the manner provided herein.

### **ARTICLE 3**

#### **OPTION TO LEASE**

In consideration for entering into this License and agreeing to obey the covenants herein, including payment of the license fee, Licensee is hereby granted, during the term of this License, the irrevocable option of entering into a lease for the Licensed Premises on terms mutually satisfactory to the parties herein. This option shall be exercisable only by execution and delivery of a Lease of the Licensed Premises between Licensor and Licensee during the term of this License, and upon the termination or expiration Expiration Date (or sooner termination) of this License, this option, if such a lease of the License Premises between Licensor and Licensee shall not have theretofore been executed and delivered, shall also terminate simultaneously with the termination or expiration upon the Expiration Date (or sooner termination) of this License. Even if Licensee shall desire to lease the Licensed Premises, however, Licensor shall have no obligation to execute a lease with Licensee unless all the terms, covenants and conditions of the proposed lease are satisfactory to Licensor in Licensor's sole, uncontrolled discretion.

### **ARTICLE 4**

#### **LICENSOR'S INTEREST IN PREMISES**

Licensor warrants and represents that it is the leasehold owner of the Licensed Premises and is empowered and authorized to license said Licensed Premises.

### **ARTICLE 5**

#### **ALTERATIONS AND IMPROVEMENTS**

Provided Licensee through its Division of Real Estate Services of DCAS ("DRES") has approved Licensor's architect (the "Architect") and the proposed cost of its services hereunder, Licensor shall cause its Architect to prepare architectural and engineering plans and specifications (the "Final Plans") for leasing of the Licensed Premises to Licensee. The Final Plans must be (i) engineering and architecturally complete; and (ii) coordinated with existing building conditions and facilities; and (iii) conform to all applicable codes and requirements (including but not limited to terms and conditions in the professional services requirement document prepared by DRES, i.e., "Guide for Design Consultant"), (iv) coordinated and based on the information referred to in Licensee's approval letter of Licensor's Architect to Licensor (copy annexed hereto as Exhibit "A") in order to create a complete set of construction documents and (v) approved by DRES, which approval shall not be unreasonably withheld, conditioned or delayed within five (5) days after receipt by DRES of the Final Plans and shall specify in reasonable detail the reasons for any disapproval. The Final Plans must be filed by Licensor with all governmental authorities having jurisdiction.

LICENSOR shall cause the Architect to arrange for preparation of the Final Plans and delivery of same to DRES and the Port Authority and other regulatory agencies (if any) which require said submission in the timeframes set forth in Exhibit "A" annexed hereto.

Within ten (10) business days after DRES's approval of the Final Plans and the execution and delivery of an unconditional lease by Licensor and Licensee for the Licensed Premises, Licensor shall submit to DRES Port Authority administrative approvals with respect to Final Plans as well as a copy of the work permit (or alternative document issued by the Port Authority). If Licensor and Licensee shall fail to execute and deliver a lease of the Licensed

**Premises. Licensee shall reimburse to Licenser the fees (if any) charged by the Port Authority for its approvals and work permit.**

Licenser hereby warrants and represents that it has the financial capability and/or adequate financing to cause the preparation of the Final Plans in the time frames set forth in said Exhibit "A". The parties hereto acknowledge and agree that the "target date" for completion of the Final Plans is on or prior to December 31, 1997. Licenser's misrepresentation with regard to its ability to provide or obtain adequate financing shall constitute a basis for termination of this License on five (5) days written notice.

In the event Licenser fails to commence and/or fails to meet any applicable time frames, provided that Licensee is not responsible for Licenser's failure to comply with such time frames, then Licensee shall give Licenser written notice (hereinafter referred to as "Delay Notice") advising Licenser of its failure to so commence and/or perform. If Licenser fails to commence or perform its obligations above within five (5) business days from the date receipt of said Delay Notice, subject to force majeure, Licensee shall give Licenser a second written notice (the "Final Delay Notice"). If Licenser fails to commence or perform its obligations above within five (5) days from receipt of the Final Delay Notice, subject to force majeure, Licensee, in addition to any other remedy it may have, may, at it's option terminate this License on ten (10) business days written notice to Licenser without liability for the repayment of the Licenser Work Cost as defined in Article 1, subject to Licenser's right to dispute the Delay Notice.

**ARTICLE 6**

**INTENTIONALLY OMITTED**

# **ARTICLE 16**

## **FORCE MAJEURE**

Licensor or Licensee shall not be deemed in default if it is delayed in the performance of any act, matter or thing which it is obligated to perform hereunder, if such delay is an "unavoidable delay." An "unavoidable delay" shall mean (i) strikes, lockouts, or labor disputes; (ii) acts of God, governmental restrictions, regulations or controls, enemy or hostile governmental actions, civil commotion, insurrection, revolution, sabotage or fire or other casualty or other conditions similar to those enumerated in this Article. In the event of any unavoidable delay, all dates for performance shall automatically be extended by a period equal to the aggregate period of all such delays.

# **ARTICLE 17**

## **SAVE HARMLESS**

Licensor and Licensee shall each indemnify and hold harmless the other party from and against any and all liability, fines, suits, claims, demands, expenses and actions of any kind or nature arising by reason of injury to person or property occurring on or about the Licensed premises Premises, the Building, or the real property of which they form a part, occasioned in whole or in part by its acts or omissions or the acts or omissions of any person present by its License license and/or permission, express or implied.