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CONFORMED COPY

301-200957-002

Port Authority Lease No. HHT-4
Supplement No. 3

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made as of June 17, 1997, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and HOWLAND HOOK CONTAINER TERMINAL, INC. (hereinafter called "the Lessee"),

WITNESSETH, That:

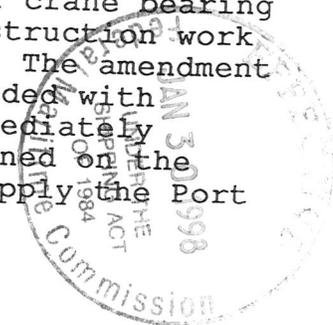
WHEREAS, heretofore and as of June 30, 1995, the Port Authority and the Lessee entered into an agreement of lease (hereinafter, as the said agreement of lease has been heretofore amended, modified and supplemented, called "the Lease") covering the Howland Hook Marine Terminal, in the Borough of Staten Island, in the County of Richmond and State of New York; and

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

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

1. The date "March 31, 1996" appearing in the fifth line of Section 9(q) (5) of the Lease shall be and be deemed deleted therefrom and the date "October 31, 1997" shall be and be deemed inserted in lieu thereof. The date for completion of the painting of Paceco crane bearing Serial No. 1254, as set forth in the tenth line of Section 9(q) (5) of the Lease, shall be amended such that the date for the completion of said work with respect to said crane shall be October 31, 2000 instead of December 31, 1999.

2. Subject to the provisions of this paragraph, the obligation of the Lessee to perform as part of the Lessee's construction work "the installation of a new boom hinge pin on IHI crane bearing Serial No. 8852 (which portion of the Lessee's construction work is hereinafter called 'the boom hinge pin work')", as set forth in subdivision (14) of Section 9(a) of the Lease, shall be amended such that said subdivision (14) shall be and be deemed to read as follow: "(14) the performance of repairs permitting lubrication of the boom hinge pin on IHI crane bearing Serial No. 8852 (which portion of the Lessee's construction work is hereinafter called 'the boom hinge pin work')". The amendment of the scope of work under the Lease as herein amended with respect to said boom hinge pin set forth in the immediately preceding sentence shall be subject to and conditioned on the Lessee supplying and/or causing third parties to supply the Port



Authority with such documentation and other evidence as the Port Authority shall require, acting in its sole discretion, to enable the Port Authority to make the determination, which determination shall be within the Port Authority's sole discretion, that the performance of the boom hinge pin repairs described above instead of the replacement of said boom hinge pin will be fully sufficient for the operations of IHI crane bearing Serial No. 8852 for the purposes contemplated under the Lease as herein amended. The parties agree that nothing provided to the Port Authority by the Lessee and/or any third party shall be conclusive on the matter, and further agree that the Port Authority shall have full discretion to determine that only the immediate replacement of said boom hinge pin is sufficient for the aforesaid purposes regardless of any documentation or other evidence that shall have been so supplied to the Port Authority. Without limiting the generality of any other provision of the Lease as herein amended, including without limitation Section 45 of the Lease, in the event that the Lessee's scope of work with respect to said boom hinge pin is amended in accordance with the provisions of this paragraph, the Lessee shall be responsible, at its sole cost and expense, for any replacement of said boom hinge pin required during the term of the letting.

3. In the event that the Lessee's scope of work with respect to the boom hinge pin on IHI crane bearing Serial No. 8852 shall be amended in accordance with the provisions of paragraph 2 hereof, then the date for completion of the boom hinge pin work (as said work is amended by said paragraph 2) as set forth in the sixteenth line of Section 9(q)(5) of the Lease shall be amended such that the date for the completion of the boom hinge pin work shall be October 31, 1997 instead of five (5) months following the Commencement Date. In addition, in the event that the Lessee's scope of work with respect to said boom hinge pin shall be amended in accordance with the provisions of said paragraph 2, then, notwithstanding any provision to the contrary contained in the Lease as herein amended, in the event that the reasonable cost, as defined in Section 9(q) of the Lease, of the boom hinge pin work (as said work is amended by paragraph 2 hereof) is less than One Hundred Eighty Thousand Dollars and No Cents (\$180,000.00), as allocated to said work in Section 9(q)(1)(xiv) of the Lease, then the difference between One Hundred Eighty Thousand Dollars and No Cents (\$180,000.00) and the reasonable cost of said work shall be allocated in seven equal shares to the painting of the seven container cranes constituting the crane painting work under the Lease as herein amended. The allocation referred to in the immediately preceding sentence shall be effected by adding one-seventh of the total amount to be so allocated to each of the respective reimbursement amounts of One Hundred Ten Thousand Dollars and No Cents (\$110,000.00) now allocated to the painting of each of the seven cranes in Section 9(q)(1)(v) of the Lease.

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

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

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

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

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

ATTEST:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY



By Luc C. Bourne
(Title) DIRECTOR, PORT COMMERCE DEPARTMENT
(Seal)

ATTEST:

HOWLAND HOOK CONTAINER TERMINAL,
INC.


Secretary

By Arnie P. Rogers
(Title) President
(Corporate Seal)

APPROVED:	
FCM	TCM
<i>RV</i>	<i>AT</i>

RB

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

On this 25th day of June, 1997, before me personally came Julian J. Barone to me known, who, being by me duly sworn, did depose and say that he resides at Maplewood, NJ; that he is the Director, Port Commercial Dept of the Port Authority of New York and New Jersey, (one of) the corporations described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Commissioners of the said corporation; and that he signed his name thereto by like order.

Karen Eastman
(notarial seal and stamp)

STATE OF New York)
) ss.
COUNTY OF Richmond)

KAREN E. EASTMAN
Notary Public, State of New York
No. 4766314
Qualified in New York County
Commission Expires Feb. 28, 1999

On the 28th day of May, 1997, before me personally came CARMINE MAGRICI to me known, who, being by me duly sworn, did depose and say that he resides at 67 Commodore Drive SI NY 10309; that he is the President of Howland Hook Container Terminal, Inc., one of the corporations described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of the said corporation; and that he signed his name thereto by like order.

X Peter P. Magri
(notarial seal and stamp)

PETER P. MAGRI
NOTARY PUBLIC State of New York
NO. 43-4641466
Qualified in County of Richmond
Commission Expires 5/31/97

STATE OF _____)
) ss.
COUNTY OF _____)

On the _____ day of _____, 199__, before me personally came _____ to me known and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

(notarial seal and stamp)