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**AMENDED AND RESTATED LEASE AND OPERATING AGREEMENT**

by and between

**PHILADELPHIA REGIONAL PORT AUTHORITY**

and

**PENN WAREHOUSING & DISTRIBUTION, INC.**

for

**PIER 82 SOUTH**

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PHILADELPHIA REGIONAL PORT AUTHORITY  
PHILADELPHIA, PA 19106

Dated:

Effective:

THIS AMENDED AND RESTATED LEASE AND OPERATING AGREEMENT (this "Lease") is made this 12<sup>th</sup> day of ~~January~~<sup>March</sup>, 2001, to be effective as of the Effective Date as defined in Section 2.1, by and between PHILADELPHIA REGIONAL PORT AUTHORITY ("Lessor"), a body corporate and politic and an independent agency of the Commonwealth of Pennsylvania with offices at 3460 N. Delaware Avenue, Philadelphia, PA 19134, and PENN WAREHOUSING & DISTRIBUTION, INC. ("Lessee"), a corporation incorporated under the laws of the Commonwealth of Pennsylvania, with its principal place of business at 2147 S. Delaware Avenue, Philadelphia, PA 19148.

WITNESSETH:

WHEREAS, by that certain deed dated July 26, 1990, the City of Philadelphia, Pennsylvania (the "City") conveyed to Lessor all of the City's right, title and interest in and to certain port facilities;

WHEREAS, Lessor is authorized to make and execute contracts and other instruments necessary or convenient for the conduct of its business;

WHEREAS, Lessor wishes to lease to Lessee for a maritime-related use, and Lessee wishes to lease from Lessor for a maritime-related use, Pier 82 South, as shown on Exhibit "A" attached hereto and made a part hereof, including, but not limited to, the shed situated thereon divided into a heated portion designated as Section "H" on Exhibit "A", and a refrigerated portion, designated as Section "R" on Exhibit "A", appurtenant aprons, reefer outlets, and two berthing areas (the "Premises"); and

WHEREAS, this Lease is being executed and delivered as an amendment and restatement of that certain Lease and Operating Agreement dated May 26, 1995 by and between Lessor and Lessee (as amended to date, the "Original Lease");

NOW THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound, the parties hereby agree as follows:

**ARTICLE I: APPOINTMENT**

1.1 Grant. Lessor hereby leases the Premises to Lessee and Lessee hereby leases the Premises from Lessor, for the term and subject to the conditions set forth herein.

1.2 Appointment. It is the intent of the parties that, so long as Lessee is not in default hereunder, Lessee shall during the Term (as hereinafter defined) be the exclusive operator of the Premises.

1.3 Independent Contractor. Lessee shall be an independent contractor in the performance of its obligations under this Lease. Any employees of Lessee hired to perform stevedoring, terminal, warehousing, or other activities or services at the Premises shall be the

employees of Lessee solely, and Lessor shall not be a joint employer of any of Lessee's employees. In addition, any employees of any company contracted by Lessee to perform any services shall be the employees of such company solely, and Lessor shall not be a joint employer of any such employees. To that end, Lessee and any company contracted by Lessee shall have the exclusive right to supervise and direct the day-to-day activities of all persons who perform services for them, and they shall have sole responsibility with respect to such persons, including, without limitation, the responsibility to determine and pay their wages and any benefits, to fulfill all applicable requirements under any collective bargaining agreements and to pay all federal, state and local taxes or contributions imposed or required under unemployment, workers' compensation, social security, wage and income tax laws with respect to them. There shall be no direct or indirect participation by Lessor in any employee relations matters concerning those persons employed by or through Lessee.

1.4 Use of the Premises.

1.4.1 Lessee covenants (i) to operate and use the Premises at all times in a competent, efficient manner, and in a manner comparable in quality and efficiency to the manner in which other piers of similar use and design in other major United States ports are operated, (ii) to accommodate the Permitted Use (as defined below), and (iii) to provide first-class service to all customers whose cargo passes through the Premises.

1.4.2 Lessee shall use Sections "R" and, upon completion of construction of additional refrigerated warehouse space as contemplated herein in the area cross-hatched on Section "H" on Exhibit "A" (the "Additional Refrigerated Space"), the Additional Refrigerated Space only in connection with the docking and berthing of vessels and the receiving, shipping, warehousing, distributing, moving, loading and unloading of fruit and refrigerated, chilled and/or frozen cargoes ("Refrigerated Cargoes"), and incidental activities related thereto (the "Permitted Use"); provided, however, that Section "H" (excluding the Additional Refrigerated Space upon completion of construction, if at all, thereof) shall be permitted to be used for cargoes other than Refrigerated Cargoes to the extent that there is no other available space at any other Lessor facility for such cargoes and Lessor has given its prior written consent to such usage (collectively "Cargo Activities"). Lessor may grant or withhold said consent in its sole discretion.

1.4.3 Lessee shall not use or permit the Premises to be used in whole or in part during the Term of this Lease for any purpose or for any use in violation of, and shall operate the Premises in compliance with, any and all present or future laws, ordinances, general rules or regulations of any public or governmental authority at any time applicable thereto, including, without limitation, the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and the City (collectively, the "Laws"), relating to, by way of example only and not limitation, sanitation or the public health, safety or welfare, or navigation and use of the port and port facilities.

1.5 Vessel Call Guaranty.

1.5.1 Lessee hereby guarantees to Lessor that during the period January 1, 2001 through December 31, 2001 at least five (5) vessels shall call at the Premises for purposes of unloading full shiploads of Refrigerated Cargoes, and that during each subsequent twelve (12)

month period, January 1st through December 31st, during the Term of this Lease, including any renewal period, at least eight (8) vessels shall call at the Premises for purposes of unloading full shiploads of Refrigerated Cargoes (the "Vessel Guaranty"). If there is not a full twelve (12) month period remaining at the end of the Term, the vessel call minimum shall be prorated, rounding any fractional number of calls to the closest whole number.

1.5.2 In the event Lessee fails to meet the Vessel Guaranty during the period January 1, 2001 through December 31, 2001, the renewal option (as set forth in Section 2.3 below) shall be voidable at the discretion of Lessor who may, by written notice to Lessee, terminate this Lease after the Initial Term (as defined in Section 2.2 below); provided, however, that the renewal option will not be voided if Lessee demonstrates to Lessor's satisfaction that:

1. Lessee hired within thirty (30) calendar days of the Effective Date of this Lease a person or firm specializing in the maintenance of refrigeration systems and is otherwise in compliance with Section 6.6; and
2. Lessee has effectively marketed the facility in cooperation with Lessor.

1.5.3 During each twelve (12) month period (January 1 - December 31) following the period January 1, 2001 through December 31, 2001, or pro rata portion thereof, in the event that fewer vessels call at the Premises for purposes of unloading Refrigerated Cargoes than the number guaranteed under the Vessel Guaranty, Lessee shall pay to Lessor, as additional Rent, \$5,000 for each unmade vessel call below the Vessel Guaranty. Such payment shall be paid within thirty (30) calendar days following the last day of the period in which such breach of the Vessel Guaranty occurs. Lessor may waive payment of such additional Rent if Lessee demonstrates to Lessor's reasonable satisfaction that breaches of the Vessel Guaranty resulted from causes outside of Lessee's control. For purposes of the immediately preceding sentence, "causes outside of Lessee's control" shall include, but not be limited to, abnormally adverse weather conditions, widespread crop failures, earthquakes and equivalent disasters, industry-wide strikes or lockouts, widespread riots, and other events causing gross political, commercial or economic distortions or disruptions (such as, but not limited to, revolution, acts of war, or embargoes) which create an impossibility for Lessee's customers to carry, deliver or receive Refrigerated Cargoes.

## ARTICLE II: EFFECTIVE DATE; TERM

2.1 Effective Date. This Lease shall become effective on the last to occur of (i) January 1, 2001; (ii) the date on which the Attorney General of the Commonwealth of Pennsylvania approves this Lease (the "Effective Date"); or (iii) the date on which an executed copy of this Lease is filed with the Federal Maritime Commission ("FMC") in accordance with the Shipping Act of 1984. Lessor shall cause this Lease to be submitted to the FMC for filing promptly following execution.

2.2 Initial Term. The term of this Lease shall commence on the Effective Date and shall end on December 31, 2010 (the "Initial Term"), unless extended or sooner terminated. The "First Lease Year" shall be the twelve (12) month period commencing on the Effective Date, if

the Effective Date is the first day of a calendar month, or, if the Effective Date is other than the first day of a calendar month, then the period commencing on the Effective Date and continuing through the last day of the twelfth (12th) full calendar month thereafter. Each "Lease Year", after the First Lease Year, including any "Lease Year" included as a renewal option, shall be a consecutive twelve (12) month period commencing on the first day of the calendar month immediately following the last day of the preceding Lease Year.

2.3 Renewal Option.

2.3.1 Lessee shall have the option to extend the term of this Lease for two (2) additional five (5) year periods (the "Renewal Periods") provided no breach has occurred during the January 1, 2001 through December 31, 2001 period of the Vessel Guaranty, and provided Lessee is not in default under this Lease either at the time of exercising the option or at the commencement of such Renewal Period, subject only to Lessor's acceptance of Lessee's exercise of its option to renew and subject to adjustments to the Rent. Lessee shall exercise the aforesaid option to renew by giving Lessor written notice of renewal at least one hundred eighty (180) calendar days prior to the end of the Initial Term. Each Renewal Period shall begin on the day immediately following the last day of the previous Term. If Lessee fails timely to exercise its option with regard to either Renewal Period, said option shall be void. The terms and conditions applicable in such Renewal Period shall be those specified for the Initial Term of this Lease except for the Rent (as hereinafter defined) which shall be determined for such Renewal Period as provided in Section 2.3.2 below.

2.3.2 The Initial Term and the Renewal Period as to which Lessee properly exercises its renewal option are hereinafter collectively referred to as the "Term". In the event that during the Initial Term the parties have failed properly to file this Lease with the FMC, the parties shall undertake prior to the commencement of any Renewal Period to file with the FMC an amendment extending this Lease and any other instrument or agreement, as applicable, for such renewal.

2.4 Confirmation of Effective Date, etc. Promptly following the Effective Date, Lessor shall send Lessee written notice confirming the Effective Date of this Lease, establishing the date by which Lessee must exercise its Renewal Option, and setting forth the date on which the Initial Term shall expire.

2.5 Surrender of Possession; Holdover. Lessee shall peaceably deliver up and surrender possession of the Premises to Lessor at the expiration or termination of this Lease. With the written approval of Lessor, which Lessor shall have no obligation to grant, Lessee may continue to occupy the Premises after the expiration of this Lease ("Holdover"). Any such Holdover shall be deemed an extension of this Lease on a month-to-month basis upon the same terms and conditions of this Lease, except that Lessee shall pay to Lessor as Rent during each month of the Holdover period an amount equal to one-twelfth (1/12) of one hundred fifty percent (150%) of the Rent, as hereinafter defined, payable for the twelve (12) months immediately preceding the Holdover.

## ARTICLE III: RENT; PAYMENT

3.1 Base Rent; Additional Rent, Fees, Incentives.

3.1.1 Lessee, in consideration of this Lease shall pay to Lessor during the Initial Term an annual Base Rent ("Base Rent") which shall be (i) One Hundred Forty-One Thousand Eight Hundred Eighty Two Dollars (\$141,882.00) per annum (\$1.07/sq. ft.) from and after the Effective Date until December 31, 2000 and (ii) One Hundred Seventy-Six Thousand Eight Hundred Sixty-Eight Dollars (\$176,868.00) per annum (\$1.33/sq. ft.) from and after January 1, 2001 until December 31, 2010, subject to annual adjustments as set forth below, payable monthly in advance, on the first day of each calendar month commencing on the Effective Date if the Effective Date is the first day of a calendar month, otherwise on the first day of the first calendar month following the Effective Date, in the amount of (i) Eleven Thousand Eight Hundred Twenty Three and 50/100 Dollars (\$11,823.50) from and after the Effective Date until December 31, 2000 and (ii) Fourteen Thousand Seven Hundred Thirty-Nine Dollars (\$14,739.00) from and after January 1, 2001 until December 31, 2010. If the Effective Date is other than the first day of a calendar month, Base Rent shall be prorated from the Effective Date through the end of the calendar month in which the Effective Date occurs, based on the number of days in such month, and shall be payable on the first day of the calendar month next following, together with the installment of Base Rent owing for such month.

3.1.2 In addition to the Base Rent, Lessee will pay to Lessor a tonnage fee for each metric ton of Refrigerated Cargo and/or incidental cargo moved over the Premises, whether by ship, rail, truck or other means (the "Tonnage Fee"). During the First Lease Year, the Tonnage Fee shall be ninety cents (\$.90) per ton for the first 150,000 tons of waterborne perishable cargo, and for waterborne perishable cargo handled in excess of 150,000 tons, the Tonnage Fee shall be sixty cents (\$.60) per ton, provided, however, that for all non-perishable cargo beginning January 1, 2001, the Tonnage Fee shall be forty-five cents (\$.45) per ton.

3.1.3 Lessee shall pay the Tonnage Fees to Lessor within fifteen (15) calendar days after receipt of an invoice from Lessor.

3.1.4 Lessee shall also pay to Lessor as additional rent a sum equal to the actual operating expenses incurred by Lessor on account of Lessee's operations at the Premises during each calendar month of the Term (which shall not include any of Lessor's costs of performing any repair, replacement and maintenance obligations as provided in this Lease). Lessor shall invoice Lessee on or about the fifteenth (15th) day of each calendar month for Lessor's operating expenses respecting the Premises incurred during the immediately preceding calendar month, and Lessee shall pay each such invoice within ten (10) calendar days following receipt thereof. Each invoice shall be accompanied by a detailed accounting of the expenses to which the invoice relates. Should Lessee question the accuracy of any such invoice, Lessee shall object thereto within five (5) calendar days after receipt thereof or shall be deemed to have waived such objection. Lessee's objection to any invoice shall not excuse late or partial payment thereof.

3.2 Late Charges. As compensation to Lessor for costs and expenses involved in handling delinquent payments, all Rent, as hereinafter defined, fees, and other charges that remain due shall be subject to a delinquency charge equal to one and one-half percent (1.5%) of

said charges per month or fraction of month from the date due until the charges have been paid. Said delinquency payment is in addition to all other remedies that Lessor may have as provided by this Lease or otherwise by law or in equity to enforce payment of Rent or other charges that have accrued and have not been paid.

3.3 Books, Records and Reports. At least twenty-four (24) hours prior to commencing work loading or unloading any ship docked at the Premises, Lessee shall deliver to Lessor a true and correct copy of the ship's manifest. Additionally, Lessee shall deliver to Lessor each month, on or before the date Base Rent is payable for that month, a reasonably detailed report in form satisfactory to Lessor listing all ships which have docked at the Premises during the immediately preceding month and all cargo of every sort received at the Premises or shipped from the Premises during such month (including, without limitation, all cargo received at the Premises from any source for warehousing, detailing the type of cargo and the tonnage) and a listing of all charges made to vessels docked or moored at the Premises during such prior month, which statement shall be certified to be true and correct by an officer of Lessee. Lessee shall prepare and keep on the Premises or at its principal place of business, presently at 2147 S. Delaware Avenue, Philadelphia, PA 19148, for a period of not less than twenty-four (24) months following the end of each Lease Year, true complete and accurate books, records and accounts, conforming to generally accepted accounting principles consistently applied, relating to cargo received at or shipped from the Premises, including, without limitation, all accounting of all cargo handled at the Premises, with a breakdown of the type of cargo and the tonnage, original records of all charges made to vessels docked or moored at the Premises, ship manifests, computer disks and all other data, matters and information of every kind and nature from which the Tonnage Fee can be determined. Lessor shall have the right and privilege through its designated representatives at reasonable times to inspect, audit or copy such books, records and accounts of Lessee in order to verify the accuracy of the amounts of Tonnage Fee due and owing by Lessee to Lessor hereunder, and Lessee agrees that all such books, records and accounts shall be made available to Lessor upon forty-eight (48) hours' prior written request. In no event shall the provisions of this Section 3.3 be interpreted in a manner which would obligate Lessee to make available for inspection by Lessor or its designated representatives any books or records of Lessee's business not directly germane to the computation of the Tonnage Fee. If any audit conducted by or for Lessor shows that during the period covered by such audit Lessee has underpaid the Tonnage Fee due to Lessor under the terms of this Lease by two percent (2%) or more, Lessee shall immediately upon demand pay to Lessor such unpaid Tonnage Fee and all costs and expenses incurred by Lessor for such audit as Rent. In all other events, Lessor shall pay for its audit. If any audit shall be commenced by Lessor or if there shall arise a dispute concerning the Tonnage Fee, then Lessee's books of account and records shall be preserved by Lessee at the Premises (or, if the Term shall have expired, at Lessee's principal place of business) until such audit has been completed or final resolution of such dispute has been reached, notwithstanding that the aforesaid twenty-four (24) month period may have been exceeded.

3.4 Rent. All sums payable by Lessee under this Lease, whether or not stated to be Rent, Base Rent or additional Rent, such as the Tonnage Fee, or otherwise denominated (herein collectively referred to as "Rent"), shall be collectible by Lessor as rent, and in the event of a default in payment thereof Lessor shall have the same rights and remedies as for a failure by Lessee to pay Base Rent (without prejudice to any other right or remedy available therefor). All

Rent shall be payable when due, without notice, demand, deduction or set-off, at the address of Lessor set forth in Section 18.1 below, or any other address of which Lessor shall hereafter give Lessee written notice. If Lessor at any time or times shall accept any payment of Rent after the same shall be due and payable hereunder, or shall accept any lesser amount than the sum then due and on account of Rent, such acceptance shall not excuse delay upon subsequent occasions or constitute or be construed as a waiver of any of Lessor's rights hereunder with respect to such late or partial payment. No payment of Rent by Lessee or the receipt by Lessor from Lessee of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Lessor may accept any such check as payment without prejudice to Lessor's right to recover the balance of such Rent or to pursue any other remedy provided for in this Lease or available at law or in equity.

3.6 Annual Adjustments in Rent. Beginning on January 1, 2002, and on the first day of every Lease Year thereafter, Rent shall be increased (but in no event decreased) to an amount which shall be equal to (1) the Rent in effect during the immediately preceding Lease Year multiplied by (2) the cumulative positive change, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers, all items, for the Philadelphia, Pennsylvania area (1982-84=100) issued by the United States Bureau of Labor Statistics of the United States Department of Labor (the "CPI") or the successor index that most closely approximates the CPI from the Base Month (as hereinafter defined) until the month immediately preceding the date of adjustment. "Base Month" shall mean (i) as to the first adjustment period, the month preceding January 1, 2001, and (ii) as to each subsequent adjustment, the month immediately preceding the date of the last adjustment date.

#### **ARTICLE IV: LESSOR'S RIGHT OF ACCESS TO THE DEMISED PREMISES**

4.1 Visitors. Lessor and its invitees shall have the right of access to the Premises at all times during the Term, provided that, except in the event of an emergency, twenty-four (24) hours' prior telephonic or written notice shall be required for access by persons other than Lessor's employees.

4.2 Property and Cargo Under Lessee's Control. Lessor reserves the right, but shall have no responsibility or obligation, to inspect the Premises as to fire hazards and other hazards of a like kind or nature. Lessor assumes no responsibility or liability for, and Lessee hereby releases Lessor from, loss or damage to the property of Lessee or property under the control of Lessee, whether caused by fire, water or otherwise, except to the extent such loss or damage is caused by the gross negligence or willful misconduct of Lessor, its employees or contractors.

**ARTICLE V: INSURANCE; INDEMNIFICATION**

5.1 Property Insurance.

5.1.1 Lessee shall keep the Premises continuously insured during the Term against "all risks" of direct physical loss on a replacement cost basis in the amount of Twenty-One Million Five Hundred Thirty-Five Thousand Dollars (\$21,535,000.00).

5.1.2 Lessee shall keep the contents of the Premises, including, without limitation, the property of others and cargo, improvements and betterments, and "contractor's equipment," continuously insured during the Term against "all risks" of direct physical loss, on a legal liability basis with respect to cargo and property of others, and on an actual cash value basis with respect to all other contents, improvements and betterments, and "contractor's equipment." Lessee shall cause the policy evidencing such insurance to name Lessor and the Commonwealth as additional insureds, as their interests may appear.

5.2 Liability Insurance. During the Term, Lessee shall continuously keep in effect comprehensive general liability insurance of at least Ten Million Dollars (\$10,000,000.00), single limit, as to personal injury, death or property damage. Lessee shall cause the policy evidencing such insurance to name Lessor and Commonwealth as additional insureds, and shall cause such policy to incorporate a cross liability endorsement provision as follows (or a substantially identical provision satisfactory to Lessor):

"Cross Liability - it is understood and agreed that the insurance afforded by this policy for more than one named insured shall not operate to increase the limits of the Company's liability, but otherwise shall not operate to limit or void the coverage of any one named insured with respect to claims against the said named insured by any other named insured or the employees of any such named "insured"."

5.3 Workers' Compensation Insurance. Lessee itself shall maintain, and shall also require that any terminal operator and/or stevedoring company with which it contracts for services at the Premises maintain in full force and effect at all times during the Term of this Lease statutory workers' compensation insurance and employers' liability insurance; United States Longshoremen's and Harbor Workers' Compensation Act insurance, Jones Act insurance, occupational disease act insurance, and any disability benefits act insurance required by federal, state or local law.

5.4 Automobile Insurance. During the Term, Lessee shall continuously keep in effect comprehensive automobile liability insurance in the amount of Five Million Dollars (\$5,000,000.00) per each accident for bodily injury and property damage combined, naming Lessor and the Commonwealth as additional insureds.

5.5 Waiver of Subrogation. All casualty and property insurance policies carried by either party covering the Premises and Lessee's operations at the Premises shall expressly waive any right on the part of the insurer against the other party.

5.6 Insurance General.

5.6.1 If Lessee fails to maintain any insurance required in this Lease to be maintained by it, Lessor may at its option procure same wherever available, at Lessee's expense, and Lessee shall pay to Lessor the cost thereof, and such other costs incurred by Lessor in connection therewith, including, without limitation, Lessor's reasonable attorneys' fees, on demand as Rent.

5.6.2 Every policy of insurance required by this Lease to be maintained by Lessee shall contain a provision prohibiting cancellation thereof or changes therein without at least thirty (30) calendar days' prior written notice to Lessor and to the Commonwealth at the addresses designated from time to time in writing by Lessor and the Commonwealth, respectively. On or before the Effective Date, and thereafter at least thirty (30) calendar days before expiration of any policy, Lessee shall deliver to Lessor two copies of the policies evidencing each of the coverages that it is required to carry under this Article V.

5.6.3 All policies required hereunder and any renewals thereof shall be in form satisfactory to Lessor, including as to the amount of the deductible, shall be issued by companies satisfactory to Lessor authorized to engage in the insurance business in the Commonwealth or otherwise satisfactory to Lessor, and shall be maintained in full force and effect during the Term of this Lease.

5.6.4 Lessee shall also provide such additional types of insurance in such amounts as Lessor shall from time to time reasonably require with a view to a change in the nature of the Premises, or the use to be made thereof by Lessee. In the event that any such additional insurance is required, Lessee shall deliver two copies of each policy to Lessor.

5.6.5 Lessee agrees not to use the Premises in any manner that will result in the cancellation or increase in cost of any insurance policy that Lessor is required to carry hereunder.

5.6.6 Lessee shall not take out separate insurance that is concurrent in form with, or which contributes to an event or events of loss which are covered by, either the insurance required to be furnished by Lessee under this Article V, or the insurance Lessee may reasonably be required to furnish under this Article V, unless Lessor and the Commonwealth are named in such policies as insureds, with loss payable as provided in this Lease. Lessee shall immediately notify Lessor of the taking out of any such separate insurance and shall cause the policies therefor to be delivered to Lessor as required herein.

5.6.7 Lessee shall not obtain any insurance through policies written on a "claims made," basis without Lessor's prior express written consent, which consent shall not unreasonably be withheld if the proposed policy and Lessee satisfy all of the following requirements: (1) the policy retroactive date shall coincide with or precede Lessee's occupancy or use of any portion of the Premises; (2) Lessee shall maintain such policy for at least four (4) years following the termination or expiration of the Term (whichever is later); (3) if such insurance is prematurely terminated for any reason, Lessee shall, in addition to securing immediate replacement coverage for such insurance, purchase an extended reporting provision of at least four (4) years duration to report claims arising from this Lease or Lessee's occupancy;

and (4) the policy shall allow for the report of circumstances or incidents which might give rise to future claims.

5.6.8 Any insurance required of Lessee under this Article V may be effected by a blanket or multi-peril or all-risk policy or policies issued to Lessee or to any person with which Lessee is affiliated, and covering the Premises as well as other properties owned by or leased to Lessee or any affiliated person, provided that (1) such policy or policies shall be satisfactory to and approved by Lessor and shall comply in all respects with the provisions of this Lease, and (2) the amount of insurance allocated thereunder to Lessee's property located in the Premises shall be specified either in such policy or policies or in an endorsement thereto and shall equal the amounts required under this Lease.

5.7 Accident Reports. Lessee shall provide a report to Lessor in writing, as soon as practicable but in any event within two (2) calendar days after Lessee, its officers, or agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or loss or damage in excess of Ten Thousand Dollars (\$10,000.00) to the Premises or to property of any person other than Lessee occurring upon or about the Premises. All such reports shall include, to the extent available and appropriate the following information: (1) the names and addresses of the persons involved; (2) a general statement as to the nature and extent of the injury or damage; (3) the date and hour of the occurrence; (4) the names and addresses of witnesses; and (5) such other information reasonably requested by Lessor as may be known to Lessee, its officers, employees or agents.

5.8 Liability for Damages Caused by Third Parties. Lessee shall maintain the necessary security on the Premises to assure that the Premises is not used by anyone not having the permission of Lessee or Lessor. Lessee is and shall be solely liable for all damage to the Premises which is caused by third parties not authorized to be upon the Premises, or by Lessee's employees, agents, contractors, invitees or licensees.

5.9 Release and Indemnification.

5.9.1 Lessee agrees that Lessor, the Commonwealth and their respective agents, employees, officers, directors and partners shall not be liable to Lessee and Lessee hereby releases said parties from any liability for any personal injury, loss of income or damage to or loss of persons or property, or loss of use of any property, in or about the Premises from any cause whatsoever, unless such damage, loss or injury results from the negligence of Lessor, its officers, employees or agents. Furthermore, Lessor, the Commonwealth and their respective agents, employees, officers, directors and partners shall not be liable to Lessee for any such damage or loss, whether or not such damage or loss results from their negligence, to the extent Lessee is compensated therefor by Lessee's insurance.

5.9.2 Lessee shall defend, indemnify, save and hold harmless ("Indemnify") Lessor, the Commonwealth and their respective agents, employees, officers, directors and partners from and against all liabilities, obligations, damages, penalties, claims, causes of action, costs, charges and expenses, including reasonable attorneys' fees, court costs, administrative costs, and costs of appeals which may be imposed upon or incurred by or asserted against any of them by reason of any of the following which shall occur during the Term of this Lease, during

any holdover period after expiration or termination of the Term, or during any period of time prior to the Effective Date when Lessee may have been given access to or possession of all or any portion of the Premises:

(1) any work or act done in, on or about the Premises or any part thereof at the direction of or caused by Lessee, its agents, contractors, subcontractors, servants, employees, subtenants, licensees or invitees;

(2) any negligence, tort or other wrongful act or omission on the part of Lessee or any of its agents, contractors, subcontractors, servants, employees, subtenants, licensees or invitees;

(3) any accident, injury or damage to any persons or property occurring in, on or about the Premises or any part thereof, unless caused by the negligence of Lessor, its employees or agents; and

(4) any failure on the part of Lessee to perform or comply with any of the covenants, agreements, terms, provisions, conditions or limitations contained in this Lease.

5.9.3 The obligation of Lessee to Indemnify contained in Section 5.9.2 shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Lessee, its agents or contractors under workers' or workman's compensation acts, disability benefit acts or other employee benefits acts, or under any other insurance coverage Lessee may obtain.

5.9.4 The release and indemnification given in this Section 5.9 shall survive the expiration or termination of this Lease and the Term.

## ARTICLE VI: CONSTRUCTION, MAINTENANCE, REPAIR, EQUIPMENT AND IMPROVEMENTS

6.1 Lessee's Maintenance and Repair Obligations. Lessee shall, at all times, keep the Premises in a neat, clean and orderly condition. Lessee shall perform all maintenance and repair, including, without limitation, sweeping, snow removal, trash removal, minor painting (Lessee shall not be obligated to paint or repaint the exterior of the buildings on the Premises), traffic or pier striping, replacing light bulbs, clearing closed drains, daily janitorial service, storm drain inlet maintenance and repair, rolling and sliding door maintenance and repair, pier electrical signage maintenance and repair, and all other improvements contained in buildings upon the Premises, and shall be responsible for security in and around the Premises. Lessee shall perform maintenance and repair of water, sewer and electric utilities upon the Premises. Lessee shall be liable, at its own expense, to make all repairs to windows, irrespective of cause of damage. Lessee's obligations hereunder shall be to maintain and repair those elements of the Premises for which it is responsible in the condition they were in on the Effective Date, subject to normal wear and tear. Lessee shall be responsible for causing those items which it is Lessee's responsibility to repair and maintain hereunder to conform to all governmental laws, regulations and requirements respecting same.

6.2 Wharf Structure. Lessor shall maintain and repair the Wharf Structure, as hereinafter defined, the roofs, pavements, fencing, the structural elements of the walls, the foundations of the buildings on the Premises, and the water and sewer utility lines between the point of entry onto the Premises and the point of entry into the buildings upon the Premises, and electric utility lines up to and including the primary switchgear, in their "as is" condition as of the date of the survey conducted pursuant to Section 6.8 hereof. Lessor shall be responsible for causing those items which it is Lessor's responsibility to repair and maintain hereunder to conform to all governmental laws, regulations and requirements respecting same. Notwithstanding anything to the contrary in this Lease, if damage to the Wharf Structure or the roofs, walls and foundations of such buildings is caused by the acts of or failure to act by Lessee, its officers, employees, agents, contractors, invitees or licensees, including persons performing work on the Premises at the request or under the direction of Lessee, Lessor may, in Lessor's sole discretion, make all necessary repairs, and Lessee shall pay to Lessor upon demand and as additional Rent all costs and expenses incurred by Lessor in making such repairs upon presentation of supporting documentation by Lessor to Lessee, to the extent such costs are not reimbursed by insurance. For the purpose of this Lease, the "Wharf Structure" shall mean and be defined as the beams, girders, subsurface support slabs and prestressed concrete or wood pilings located on the Premises between the pierhead line and the bulkhead line of the Delaware River.

6.3 Fire Systems. All fire protection sprinkler systems, sprinkler alarm systems, fire hydrant systems, standpipe systems, fire alarm systems, portable fire extinguishers and other fire protective or extinguishing systems or appliances which have been or may be installed on the Premises shall be maintained or repaired as may be necessary so as to be in compliance with all applicable laws at all times by Lessee, at its sole cost and expense, and in accordance with all applicable laws, including without limitation the City Fire Code and all additions, revisions and amendments thereto, and in accordance with the recognized standards relating thereto. Notwithstanding the foregoing, in the event that the sprinkler system, sprinkler alarm system, fire hydrant system, standpipe system, fire alarm system, or other fire protective or extinguishing systems or appliance serving the Premises are required to be supplemented or replaced due to a change in the Philadelphia Fire Code applicable to all structures similarly situated and not the result of Lessee's unique use of the Premises, Lessor shall be obligated to undertake such supplementation or replacement at Lessor's sole expense.

6.4 Load Limits. Without the prior written consent of Lessor, Lessee shall not place loads on the structural portions of Pier 82 South and the shed and other improvements constructed thereon in excess of the respective maximum load limits as set forth in Exhibit "B" attached hereto and made a part hereof.

6.5 Sprinkler Inspection and Maintenance Services. Lessee shall cause a sprinkler system maintenance and inspection service, properly licensed and approved by the governmental agency having jurisdiction over same, if such licensing and approval is required by said agency, to carry out, respectively, systematic inspection, adjustment and maintenance, at monthly intervals, or at such other intervals, of the sprinkler systems on the Premises, to the extent required by law, and furnish to Lessor reports of each such inspection, or copies of the reports submitted by the aforementioned services to Lessee, within ten (10) calendar days following the inspection in question. Lessee shall be responsible for obtaining all periodic certifications of the sprinkler system upon the Premises required by law and shall Indemnify Lessor from any and all

finer (including interest and penalties relating thereto) resulting from any failure of Lessee to obtain and maintain such certifications during the Term.

6.6 Boiler. Lessee shall cause a boiler and machinery inspection service, properly licensed and approved by the agency having jurisdiction over same, to make such inspections and certifications as are required by the Boiler and Unfired Pressure Vessel Regulations of the Pennsylvania Department of Labor and Industry (as the same may be amended, expanded or replaced from time to time) and furnish to Lessor copies of all reports of such inspections and all certificates resulting therefrom within ten (10) calendar days thereafter.

6.7 Refrigeration System. Lessee shall construct the Additional Refrigerated Space in accordance with the terms, conditions and obligations set forth in the Delegation Agreement attached hereto as Exhibit "C". Lessee shall, at its own expense, maintain and repair the refrigeration system in Section "R" and, subject to completion of construction thereof, the Additional Refrigerated Space of the shed and all components and subsystems thereof. Lessee shall retain, during the Term of this Lease, a refrigeration specialist to maintain and repair the system and furnish to Lessor reports and copies of each inspection and/or repair to the refrigeration system.

6.8 Condition and Surrender of the Premises.

6.8.1 Lessee agrees to accept said Premises, improvements, structures and facilities in their condition existing at the Effective Date "as is". Lessee's occupation or use of the Premises shall in itself constitute acknowledgement of such acceptance, and Lessor shall not be obligated to make any improvements or repairs thereto, except as specifically provided elsewhere in this Lease. Lessee covenants and agrees that at the expiration of the Term it will quit and surrender the Premises with all the improvements thereon in as good a state and condition as the same were at the inception of the Term, and the wharf, the berths and the shed will be left in a clean condition with no build-up of dirt and debris, subject to normal wear and tear.

6.8.2 Prior to the Effective Date, but in any event within thirty (30) calendar days following the Effective Date of this Lease, Lessee and Lessor shall conduct a joint survey of the Premises. To the extent Lessor and Lessee deem it appropriate, they shall retain a third party to conduct a portion of such survey and shall each pay half of such third party's fees and expenses. One purpose of the survey shall be to reflect the date and condition of the Premises, including improvements thereon, at the inception of this Lease. The parties shall conduct another joint survey of the Premises at the termination or expiration of the Term of this Lease. In addition, as a result of the initial joint survey, Lessor may elect to make certain repairs and/or improvements to the Premises and the improvements thereof. Lessor shall be required to make such repairs and improvements, if any, only as it commits in writing to make same following such joint survey. In the event that Lessor, following such survey, notifies Lessee that it has elected to repair a component of the Premises and such component prior to the effectuation of such repair by Lessor becomes inoperative, Lessee, notwithstanding its repair and maintenance obligations set forth herein, shall not be deemed to be in default hereunder as a result of such condition, unless the condition gives rise to a hazard to the health, safety and welfare of any person.

6.9 Equipment. Lessee shall provide all equipment necessary for the proper and efficient operation of the Premises, including without limitation all cargo handling equipment such as tractors, forklifts and chassis.

6.10 Access. Lessor, its contractors, invitees and their respective employees have the right of access to the Premises to perform their respective duties, responsibilities and jobs as contemplated under this Article VI and to determine the state of maintenance and repair of the Premises. Lessor will schedule such access, to the extent reasonably possible, so as not to interfere materially with Lessee's operations at the Premises.

6.11 Lessor's Rights. Should Lessee fail to make any repairs or perform any maintenance for which it is responsible, Lessor shall have the option to make or perform the same if Lessee fails to do so after having received thirty (30) calendar days written notice from Lessor, or immediately if in Lessor's reasonable business judgment the repairs required must be made to prevent further damage, injury or loss. Within ten (10) calendar days following receipt of an invoice, together with reasonable supporting documentation from Lessor, Lessee shall reimburse Lessor for Lessor's actual cost of such repairs as additional Rent. The making of such repairs by Lessor shall in no event be construed as a waiver of the duty of Lessee to make repairs as herein provided.

6.12 Dredging.

6.12.1 Lessor, without expense to Lessee, but subject to all applicable governmental regulations and restrictions, shall perform such maintenance dredging as is required in Lessor's reasonable opinion to assure and maintain a depth of water of thirty-two (32) feet from Mean Low Water Datum for the safe passage of working cargo ships at or about the Premises.

6.12.2 Lessee assumes all liability, under applicable federal and state statutes, for wire, steel bands, baling wires, trash of any kind, timbers, pieces of steel and the like that may be encountered by dredges working in the docks and waterways adjacent to the Premises, and Lessor shall remove and dispose of such materials, when encountered, at Lessee's sole expense, in which event Lessee shall pay to Lessor on demand Lessor's costs incurred in the removal and disposal of such materials as well as any costs incurred by Lessor, including without limitation fines, reasonable attorneys' fees and court costs, as a result of any alleged liability of Lessor for the presence of such materials under applicable federal, state and local laws, all of which sums shall be payable by Lessee as additional Rent.

**ARTICLE VII: TAXES**

7.1 Taxes. Lessee covenants and agrees to pay when due all lawful taxes, assessments, duties or charges which may be levied by any federal, state, county or city, or by any tax or assessment levying agency upon Lessee's interest in this Lease or any activities or rights pursuant thereto, as well as all taxes, assessments, duties and charges on goods, merchandise, fixtures, appliances, equipment and property owned or brought upon the Premises by or through Lessee (collectively "Impositions").

7.2 Appeals. Lessee shall have the right to contest or object to the amount or validity of any such Impositions by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending the covenants of Lessee to pay any such Impositions at the time and in the manner provided in Section 7.1, unless Lessee shall have given prior written notice to Lessor of intent to so contest or object to an Imposition, and unless, at Lessor's sole option: (i) Lessee shall demonstrate to Lessor's satisfaction that the legal proceeding shall operate conclusively to prevent the placing of a lien on the Premises, or any part thereof, and to satisfy such Imposition prior to final determination of such proceedings; (ii) Lessee shall furnish a good and sufficient bond or surety as requested by and satisfactory to Lessor; or (iii) Lessee shall have provided Lessor with a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

## ARTICLE VIII: ENVIRONMENTAL MATTERS

8.1 Environmental Matters. Lessee covenants that it shall comply at all times with the following terms of this Lease relating to environmental matters.

### 8.2 Lessee's Representations, Warranties and Covenants.

8.2.1 Lessee represents, warrants and covenants that: (i) the Premises will not be used for any dangerous, noxious or offensive trade or business and that it will not cause or maintain a nuisance there, (ii) it shall not bring, generate, treat, store or dispose of Hazardous Substances (as hereinafter defined) at the Premises, (iii) it shall at all times comply and shall cause the Premises to comply with all Environmental Laws (as hereinafter defined), and (iv) it shall keep the Premises free of any lien imposed pursuant to any Environmental Laws.

8.2.2 Lessee warrants that it will promptly deliver to Lessor (i) copies of any documents received from the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning Lessee's operations upon the Premises, (ii) copies of any documents submitted by Lessee to the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning its operations on the Premises, including but not limited to copies of permits, licenses, annual filings and registration forms, and (iii) upon the request of Lessor, Lessee shall provide Lessor with evidence of compliance with Environmental Laws.

8.2.3 At the expiration or earlier termination of this Lease, Lessee shall surrender the Premises to Lessor free of any and all Hazardous Substances, excepting any present upon the Premises prior to Lessee's occupancy, and in compliance with all Environmental Laws (excluding any noncompliance existing prior to Lessee's occupancy) and to the complete satisfaction of Lessor.

8.3 Permitted Substances. Subject to the provisions of this Article and to the prior written consent by Lessor which may be given or withheld in Lessor's sole discretion, Lessee shall be entitled to use and store on the Premises only those Hazardous Substances that are necessary for Lessee's business, provided that such usage and storage are in full compliance with all applicable Environmental Laws.

8.4 Storage Tanks. Lessee shall not be entitled to install any tanks under, on, or about the Premises for the storage of Hazardous Substances without the express written consent of Lessor, which may be given or withheld in Lessor's sole discretion.

8.5 Lessor's Right of Access and Inspection. Lessor shall have the right but not the obligation at all times during the term of this Lease to (i) inspect the Premises, (ii) conduct tests and investigations and take samples to determine whether Lessee is in compliance with the provisions of this Article, and (iii) request lists of all Hazardous Substances used, stored or located on the Premises. The cost of all such investigations, tests and inspections shall be borne by Lessee.

8.6 Violations - Environmental Defaults.

8.6.1 Lessee shall give to Lessor immediate verbal and follow-up written notice of any actual or threatened spills, releases or discharges of Hazardous Substances on the Premises caused by the acts or omissions of Lessee or its agents, employees, representatives, invitees, licensees, subtenants, customers or contractors. Lessee covenants to promptly investigate, clean up and otherwise remedy any spill, release or discharge of Hazardous Substances caused by the acts or omissions of Lessee or its agents, employees, representatives, invitees, licensees, subtenants, customers or contractors at Lessee's sole cost and expense; such investigation, clean-up and remediation to be performed in accordance with all Environmental Laws and to the satisfaction of Lessor and after Lessee has obtained Lessor's written consent, which shall not be unreasonably withheld. Lessee shall return the Premises to the condition existing prior to the introduction of any such Hazardous Substances.

8.6.2 In the event of (i) a violation of an Environmental Law, or (ii) a release, spill or discharge of a Hazardous Substance on or from the Premises, or (iii) the discovery of an environmental condition requiring response which, release or condition is attributable to the acts or omissions of Lessee, its agents, employees, representatives, invitees, licensees, subtenants, customers, or contractors, or (iv) an emergency environmental condition (together "Environmental Defaults"), Lessor shall have the right, but not the obligation, to immediately enter the Premises, to supervise and approve any actions taken by Lessee to address the violation, release, or environmental condition, or if Lessor deems it necessary then Lessor may perform, at Lessee's expense, any lawful actions necessary to address the violation, release, or environmental condition.

8.6.3 Lessor has the right but not the obligation to cure any Environmental Defaults, has the right to suspend some or all of the operations of Lessee until it has determined to its sole satisfaction that appropriate measures have been taken, and has the right to terminate this Lease upon the occurrence of an Environmental Default.

8.7 Additional Rent. Any expenses which Lessor incurs which are to be at Lessee's expense pursuant to this Article will be considered additional Rent under this Lease and shall be paid by Lessee on demand to Lessor.

8.8 Assignment and Subletting. Notwithstanding anything to the contrary in this Lease, Lessor may condition its approval of any assignment or subletting by Lessee upon

Lessor's determination that the proposed assignee or subtenant, in the sole judgment of Lessor, does not create any additional environmental risk or exposure.

8.9 Indemnification.

8.9.1 Lessee shall Indemnify (with counsel approved by Lessor) Lessor, the Commonwealth and their respective affiliates, directors, officers, employees and agents harmless from and against any and all claims, judgments, damages (including consequential damages), penalties, fines, liabilities, losses, suits, administrative proceedings, costs and expenses of any kind or nature, known or unknown, contingent or otherwise, which arise out of the acts or omissions of Lessee, its agents, employees, representatives, invitees, licensees, subtenants, customers or contractors during or after the Term of this Lease (including, but not limited to, attorneys, consultant, laboratory and expert fees and including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of any facility or amenity of the Premises and damages arising from any adverse impact on marketing of space in or about the Premises), arising from or related to the use, presence, transportation, storage, disposal, spill, release or discharge of Hazardous Substances on or about the Premises.

8.10 Definitions.

8.10.1 "Hazardous Substances" means (i) asbestos and any asbestos-containing material and any substance that is then defined or listed in or otherwise classified pursuant to any Environmental Laws or any applicable laws or regulations as a "hazardous substance," "hazardous material," "hazardous waste," "infectious waste," "toxic substance," "toxic pollutant" or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or Toxicity Characteristic Leaching Procedure (TCLP) toxicity, (ii) any petroleum and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources, and (iii) petroleum products and by-products, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive material (including any source, special nuclear or by-product material) and medical waste.

8.10.2 "Environmental Laws" collectively means and includes all present and future federal, state and local laws and any amendments thereto (whether common law, statute, rule, order, regulation or otherwise) permits, and other requirements or guidelines of governmental authorities applicable to the Premises and relating to the environment and environmental conditions or to any Hazardous Substance (including, without limitation, (1) CERCLA, 42 U.S.C. §9601, et seq., (2) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901, et seq., (3) the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq., (4) the Federal Water Pollution Control Act, 33 U.S.C. §1251, et seq., (5) the Clean Air Act, 33 U.S.C. §7401, et seq., (6) the Clean Air Act, 42 U.S.C. §741, et seq., (7) the Toxic Substances Control Act, 15 U.S.C. §2601-29, (8) the Safe Drinking Water Act, 42 U.S.C. §300f-300j, (9) the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. §1101, et seq., (10) the Pennsylvania Hazardous Sites Cleanup Act, (11) the Pennsylvania Clean Streams law, (12) any so-called "Super Fund" or "Super Lien" law, (13) any law requiring the filing of reports and notices relating to hazardous substances, environmental laws, administered by the Environmental Protection Agency, and (14) any state and local laws and regulations

similar to any of the foregoing, all amendments thereto and all regulations, orders, decisions and decrees now or hereafter promulgated thereunder concerning the environment, industrial hygiene or public health or safety).

8.11 Limitations. Nothing contained herein shall make or be deemed to make Lessee responsible or liable for contamination present on the Premises on the Effective Date, or for contamination thereafter caused solely by Lessor, its contractors, or invitees.

8.12 Disposal and Removal of Solid Wastes. Lessee shall, at its sole cost, contract with a reputable private refuse-removal company approved by Lessor in writing in advance for the removal and disposal of any solid waste (other than solid wastes lawfully discharged through the City's sewer system) generated or introduced by Lessee from the Premises, in accordance with all Environmental Laws.

8.13 Remedies.

8.13.1 Upon material breach by Lessee of any provision of this Article VIII, or upon a pattern of less significant breaches, Lessor may at its sole discretion terminate this Lease by written notice to Lessee, whereupon Lessee shall immediately vacate the Premises. No breach of any provision of this Article VIII shall be grounds for termination of this Lease unless (i) Lessee has received notice of said breach, and (ii) after such notice Lessee is not proceeding in good faith with all due diligence to bring itself into compliance with this Lease and to cure any past noncompliance.

8.13.2 The parties recognize that no adequate remedy at law may exist for a breach of this Article VIII. Accordingly, either party may obtain specific performance of any provisions of this Article VIII.

8.13.3 This Section 8.13 shall not be construed to limit any remedies which either party may have against the other at law or in equity for a breach of this Article VIII.

8.14 Survival. The provisions of this Article VIII shall survive the end of the Term and the termination of this Lease. No subsequent modification or termination of this Lease by agreement of the parties or otherwise shall be construed to waive or to modify any provisions of this Article VIII unless the termination or modification agreement or other document explicitly so states in writing.

## ARTICLE IX: ASSIGNMENT AND LICENSING

9.1 Assignment and Licensing. Lessee shall not, either directly or indirectly, assign, hypothecate, encumber or transfer this Lease or any interest therein, or lease or sublease the Premises in whole or in part, without the prior written consent of Lessor. For purposes of this Section an assignment shall include any direct or indirect transfer of fifty percent (50%) or more of the stock of a corporate tenant, or fifty percent (50%) or more of the equitable or other interests of a partnership, individual or noncorporate tenant, and shall also include any pledge,

mortgage or encumbrance of Lessee's interest under this Lease. No such assignment or transfer shall relieve Lessee of any liability hereunder.

9.2 Lessor's Assignment and Successors. Lessor shall have the right to assign, hypothecate or transfer this Lease, its interest in and to the Premises, or any interest in either of the foregoing in whole or in part without the approval or consent of Lessee.

9.3 Terms Binding on Successors. All the terms, covenants and conditions of this Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto. The provisions of this Section shall not be deemed as a waiver of any of the conditions against assignment by Lessee hereinbefore set forth.

## ARTICLE X: LESSEE'S COVENANTS

10.1 Liens and Encumbrances. Lessee shall keep the Premises free and clear of all liens and encumbrances arising or growing out of its use of said Premises. At Lessor's request, Lessee shall furnish Lessor with written proof of payment of any item which would constitute the basis for such lien on the Premises if not paid.

10.2 Lessor Regulations. Lessee shall comply with all applicable and reasonable rules and regulations of Lessor, as provided by written notice to Lessee, pertaining to the Premises or any buildings or structures located thereon either now in existence or hereafter promulgated, for the general safety and convenience of Lessor, its tenants, invitees, licensees and the general public, to the extent that such rules and regulations do not conflict with the terms of this Lease, and provided that any rules or regulations hereafter promulgated by Lessor are uniformly applicable to all other tenants of Lessor similarly situated.

10.3 Non-Competition. During the Term of this Lease, Lessee shall not solicit business from any customer at a facility owned or leased by Lessor for business or cargo then handled at such facility.

10.4 Railroads. Lessee covenants and agrees that any railroad upon the Premises shall be operated on the "belt line principle;" i.e., no railroad shall be granted an exclusive right to deliver and/or receive railcars to and from the Premises.

10.5 Operations. Lessee shall operate the Premises continuously during the Term and conduct its business thereon in such a manner as to maximize the tonnage of cargo handled at the Premises.

10.6 Fire Safety. Lessee shall use every reasonable precaution against fire.

10.7 Sanitation. Lessee shall promptly remove all dirt, rubbish and refuse matter from the Premises and keep the same clean at all times to the satisfaction of Lessor, the Commonwealth and other governmental agencies having jurisdiction.

10.8 Explosives. Lessee shall not discharge, load or store, nor permit the discharging, loading or storing of explosive materials of any kind upon the Premises, or vessels, railroad cars, trucks or other vehicles moored to or upon the Premises, except as permitted by Lessor or the City's regulation of March 30, 1983, as heretofore or hereafter amended, supplemented or replaced (attached as Exhibit "D"), any such discharge, loading or storage being hereby specifically prohibited.

10.9 Snow and Ice. Lessee shall promptly remove accumulations of snow and ice from the Premises, and to the extent practical, and in accordance with the responsibilities of Lessee hereunder, keep the roof, eave boxes, and the deck drains free from any obstruction.

10.10 Security. Lessee shall at all times provide adequate security for the entire Premises, satisfactory to Lessor in its reasonable discretion.

## ARTICLE XI: DAMAGE TO THE DEMISED PREMISES

### 11.1 Damage and Destruction.

11.1.1 In the event that the Premises or any part thereof is damaged or destroyed by fire or other casualty, provided that Lessee is not in default of this Lease and that no event, occurrence, action or inaction has occurred and is continuing which with the passage of time or giving of notice, or both, would render Lessee in default of this Lease, Lessor shall, subject to its rights under this Section 11.1 promptly and diligently restore, rebuild and repair the Premises, as the case may be, to the extent of available insurance proceeds as nearly as practicable to the condition existing immediately prior to such casualty.

11.1.2 In the event any portion of the Premises is damaged or destroyed and Lessor pursuant to this Section elects not to restore, rebuild or repair such portion of the Premises, and Lessee has not terminated this Lease, then Lessor shall raze or otherwise make secure such portion of the Premises.

11.1.3 Lessee shall be entitled to an equitable reduction of the Base Rent during any period in which the Premises or any portion thereof is not usable by Lessee due to damage or destruction caused by a fire or casualty for which Lessee does not have any liability, to the extent such inability to use that portion of the Premises substantially hinders Lessee's ability to handle cargo at the Premises.

11.1.4 No damages, compensation or claim of any kind shall be payable to Lessee by Lessor for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises following a casualty. Lessor shall use its best efforts to effect repair or restoration undertaken pursuant to this Section promptly and in such manner as not unreasonably to interfere with Lessee's use, occupancy and security.

11.1.5 Lessor will not carry insurance of any kind on Lessee's personal property and, except as otherwise specifically required by law or this Lease, shall not be obligated to repair any damage thereto or replace the same.

11.1.6 Notwithstanding anything to the contrary contained in this Section 11, in the event the damage shall involve the Premises generally and shall be so extensive that Lessor shall decide not to repair or rebuild the Premises, or if available insurance proceeds are insufficient to repair or rebuild the damage, or if the casualty shall not be of a type insured against under standard fire policies with extended type coverage, this Lease shall, at the option of Lessor, exercisable by written notice to Lessee given within ninety (90) calendar days after Lessor is notified of the extent of the casualty, be terminated as of the date specified in such notice (which shall not be more than sixty (60) calendar days thereafter) and the Base Rent (taking into account any abatement as aforesaid) shall be adjusted proportionately as of the termination date, and Lessee shall thereupon promptly vacate the Premises.

## ARTICLE XII: WAIVER

12.1 Waivers. No waiver by either party at any time of any of the terms, conditions, covenants or agreements of this Lease shall be deemed or taken as a waiver at any time thereafter of (i) the same or any other term, condition, covenant or agreement herein contained, or (ii) the strict and prompt performance thereof by the proper party.

## ARTICLE XIII: EMPLOYMENT PRACTICES

13.1 Employment Practices. During the Term of this Lease, Lessee hereby agrees to fully comply with the provisions of Employment Practices as set forth in Exhibit "E" attached hereto and made a part hereof.

## ARTICLE XIV: REMEDIES

14.1 Lessor's Remedies. If Lessee fails to pay in full when due any installment of Rent or any other charge, expense, cost or payment to be paid by Lessee under this Lease, or otherwise fails to perform, violates or otherwise breaches any covenant, condition or warranty of Lessee in this Lease, and such failure, violation or breach is not cured within the applicable cure period, if any, set forth in this Section below, then Lessee shall be in default hereunder, and:

14.1.1 This Lease and the Term hereby created shall at the option of Lessor terminate and become absolutely void without any right on the part of Lessee to save the forfeiture by payment of Rent due, or by other performance of the condition violated. When this Lease shall be so determined and also when and as soon as the Term hereby created shall have expired, it shall be lawful for any attorney, as attorney for Lessee, to sign an agreement for entering in any competent court an amicable action and confession of judgment in ejectment, without any stay of execution or appeal, against Lessee and all persons claiming under Lessee for the recovery by Lessor of possession of the Premises, for which this Lease, or a copy hereof, shall be a sufficient warrant, whereupon, if Lessor so desires, a writ of possession may issue forthwith without any prior writ or proceedings whatsoever. And, if for any reason after such

## EXECUTION COPY

action has been commenced the same shall be discontinued and possession of the premises remain in or be restored to Lessee, Lessor shall have the right upon any subsequent defaults to bring one or more further amicable actions in the manner and form as hereinbefore set forth to recover possession of the Premises for such subsequent default. No such termination of this Lease for recovering possession of the Premises shall deprive Lessor of any remedies or actions against Lessee for any arrears of Rent or for damages for the breach of any covenant herein contained, nor shall the bringing of any such action for Rent or breach of covenant, nor the resort to any other remedy herein provided for the recovery of Rent and/or of other monies due hereunder, or for damages for breach of covenant, be construed as a waiver of the right to insist upon the forfeiture and to obtain possession in the manner herein provided.

14.1.2 Lessor may at its option sublease the Premises as agent of Lessee for the balance of the Term of this Lease and receive the Rent therefor and apply the same to the payment of any Rent or damage for breach of covenant due by Lessee to Lessor under the terms hereof.

14.1.3 In addition to the foregoing remedies, Lessor cumulatively shall have all available rights, remedies, powers and privileges afforded from time to time by law or in equity.

14.1.4 In the event of any failure, violation or breach of any covenant by Lessee, Lessor shall, except as provided in the following sentence, give written notice thereof to Lessee, and Lessee shall have a period of ten (10) calendar days after receipt of such written notice to cure any monetary breach, and Lessee shall have a period of thirty (30) calendar days after receipt of such written notice to cure any other such failure, violation or breach. Lessor agrees that it will not exercise any remedy for default or breach hereunder, if within the appropriate period Lessee (i) cures the default or breach with respect to the nonpayment of Rent, or (ii) with respect to defaults or breaches other than the nonpayment of Rent commences action in good faith within ten (10) calendar days to cure the default or breach of covenant and proceeds to effect and complete a cure within thirty (30) calendar days (unless Lessor in its reasonable judgment determines that more than thirty (30) calendar days is required to effect a cure, in which case the cure period shall be extended accordingly); provided, however, that Lessor shall not be required to provide any notice or cure period for a monetary default or breach more than two (2) times in any twelve (12) month period.

14.1.5 In exercising any power conferred under this Lease, either by the entry of an appearance, amicable action or by the entry of judgment in ejectment by confession, Lessee agrees that if a true and correct copy of this Lease be filed in such proceeding it shall not be necessary to file the original as a warrant of attorney, any law or rule of court to the contrary notwithstanding.

14.1.6 Any power herein given to enter an amicable action or to appear for and confess and enter judgment against Lessee shall be exercisable any number of times and shall not, under any circumstances, be exhausted by one or more uses thereof. Such power may be exercisable by any assignee of Lessor and may be exercised against any permitted assignee of Lessee.

14.1.7 Lessee hereby waives, to the extent any such right may be applicable, the right to three (3) months and fifteen (15) or thirty (30) calendar days notice required under certain circumstances by the Pennsylvania Landlord and Tenant Act of 1951, as amended, and the benefit of all laws now or hereafter in force with respect to notices to be provided under this Lease and hereby agrees that the respective notice periods, if any, provided for in this Lease shall be sufficient in any such case.

14.1.8 In creating the warrant of attorney to confess judgment in ejectment, Lessee represents and warrants that it knowingly, intentionally and voluntarily, and on the advice of its separate counsel, has agreed to such remedy and rights granted thereby to Lessor.

14.1.9 For purposes of the remedies under this Lease, the term "amicable action" shall include the procedure for complaint in confession of judgment in ejectment and other procedures for entering judgment by confession in ejectment under Pennsylvania Rules of Civil Procedure.

14.2 Remedies Cumulative. All of the remedies herein given to Lessor and all rights and remedies given to it by law or in equity shall be cumulative and concurrent. No termination of this Lease or the taking or recovering of the Premises shall deprive Lessor of any of its remedies or actions against Lessee for all arrearages of Rent or for damages, or for the breach of any covenant herein contained, nor shall the bringing of any action for arrears of Rent or breach of covenant, or the resort to any other remedy herein provided for recovery of arrears of Rent, be construed as a waiver of the right to obtain possession of the Premises.

## ARTICLE XV: SIGNS

15.1 Signs. Lessee shall not place a sign on or about the Premises or any building or structure located thereon without the prior written consent of Lessor. Lessor reserves the exclusive right to place signs at the Premises. Lessee agrees to remove promptly and to the satisfaction of Lessor, at the cost and expense of Lessee, upon the expiration of the Term or the earlier termination of this Lease, any and all signs and placards placed by it upon the Premises and to repair all damage caused by such removal or the initial installation of such sign.

## ARTICLE XVI: REPRESENTATIONS AND WARRANTIES OF LESSEE

16.1 Authorization. Lessee and the individual signing below on Lessee's behalf hereby represent and warrant to Lessor that Lessee has the requisite power and authority to make and perform its obligations under this Lease, and that the execution of this Lease has been duly authorized by all requisite corporate action.

16.2 Non-Conflict. Lessee hereby represents and warrants to Lessor that the execution, delivery and performance of this Lease will not violate any provision of, nor conflict with, nor result in a breach of, any of the terms, conditions, or provisions of, nor constitute a default under, any agreement, indenture or instrument to which Lessee is a party.

ARTICLE XVII: EMINENT DOMAIN

17.1 Title to Award. In the event the Premises or any part thereof shall be taken or condemned either permanently or temporarily for any public or quasi-public use or purpose by any competent authority in appropriation proceedings or by any right of eminent domain, the entire compensation award therefor, including but not limited to all damages as compensation for diminution in value of the leasehold, reversion and fee, shall belong to Lessor without any deduction therefrom of any present or future estate of Lessee, and Lessee hereby assigns to Lessor all its right, title and interest to any such award. Lessee shall nonetheless have the right to independently claim any recovery from the condemning authority, but not from Lessor or in diminution of the sums payable to Lessor by the condemning authority, such compensation as may be separately awarded or recoverable by Lessee on account of any damage to Lessee's business by reason of the condemnation or on account of any cost or loss to which Lessee might be put in removing Lessee's merchandise, furniture, fixtures, leasehold improvements and equipment.

17.2 Permanent Taking. If the whole of the Premises shall be taken by any public authority under the power of eminent domain, this Lease shall terminate as of the day possession shall be taken by such public authority, and Lessee shall pay Rent up to that date with an appropriate refund by Lessor of such Rent as may have been paid in advance for a period subsequent to the date of the taking. If less than twenty-five percent (25%) of the area of the Premises shall be so taken, then this Lease shall terminate only with respect to the parts so taken as of the day possession shall be taken by such public authority, and Lessee shall pay Rent for the entire Premises up to that day with an appropriate refund by Lessor of such Rent as may have been paid in advance for a period subsequent to the date of the taking, and thereafter, the Basic Rent shall be equitably adjusted, and Lessor shall at its expense make all necessary repairs or alterations to the Premises structure so as to constitute the remainder of the Premises a complete architectural unit; provided, however, that if Lessee reasonably determines that such taking results in Lessee being unable to continue to conduct the Permitted Use at the Premises, Lessee may terminate this Lease by written notice delivered to Lessor within thirty (30) calendar days after such taking occurs. If more than twenty-five percent (25%) of the area of the Premises shall be so taken, then this Lease shall terminate only with respect to the part so taken as of the day possession shall be taken by such public authority, and Lessee shall pay Rent for the entire Premises up to that day with an appropriate refund by Lessor of such Rent as may have been paid in advance for a period subsequent to the date of the taking, and either party shall have the right to terminate this Lease upon notice in writing within thirty (30) calendar days after such taking of possession; provided, that in the event that Lessee remains in possession, and if Lessor does not so terminate, all of the terms herein provided shall continue in effect, except that the Base Rent shall be equitably abated, and Lessor shall make all necessary repairs or alterations to the Premises structure so as to constitute the remaining portion of the Premises a complete architectural unit.

17.3 Temporary Taking. If less than the fee title to all or any portion of the Premises shall be taken for temporary use or occupancy, this Lease shall continue in full force and effect without reduction or abatement of the Base Rent except as herein provided, and Lessee shall be

entitled to make claim for, recover, and retain (so long as Lessee shall not be in default under this Lease) any awards in the form of rent recoverable in respect of such taking, except that if such taking shall be for a period extending beyond the expiration of the Term of this Lease, Lessor shall be entitled to receive such portion of the award as shall be attributable to the portion of such period occurring after such expiration. During the period of any such taking prior to the expiration of the Term of this Lease, Lessee shall pay to Lessor the Rent as provided for in this Lease. If any such taking extends for six (6) months or more, Lessee shall have the right to terminate this Lease upon thirty (30) calendar days written notice to Lessor.

**ARTICLE XVIII: MISCELLANEOUS**

18.1 Notices. Any notice permitted or required to be sent hereunder by either party to the other party shall be in writing, and shall be deemed to have been given when served in person on the addressee, or sent by certified mail, return receipt requested, or commercial overnight delivery service, postage prepaid, addressed as follows:

If to Lessor:

Philadelphia Regional Port Authority  
3460 N. Delaware Avenue  
Philadelphia, PA 19134  
Attention: Executive Director

with a copy to:

Philadelphia Regional Port Authority  
3460 N. Delaware Avenue  
Philadelphia, PA 19134  
Attention: Chief Counsel

If to Lessee:

Penn Warehousing & Distribution, Inc.  
2147 S. Delaware Avenue  
Philadelphia, PA 19148

or at such other place and to such other persons as the parties hereto may from time to time designate. Notices may be given on behalf of either party by such party's counsel.

## EXECUTION COPY

18.2 Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania which are applicable to agreements made and to be performed wholly within Pennsylvania. Any action brought to enforce or interpret the terms of this Lease shall be brought solely in the Court of Common Pleas of Philadelphia, Pennsylvania or in the United States District Court for the Eastern District of Pennsylvania. Lessee hereby irrevocably consents to service of process upon Lessee in any litigation by hand delivery to any employee of Lessee at the Premises. Should any provision of this Lease require judicial interpretation, it is agreed that the court interpreting or considering same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of the rule or conclusion that a document should be construed more strictly against the party who itself or through its agent prepared same. It is agreed and stipulated that all parties hereto have participated equally in the preparation of this Lease and that legal counsel was consulted by each responsible party before the execution of this Lease.

18.3 Gender and Number. All terms and words used in this Lease, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Lease or any Section or clause hereof may require, as if such words had been fully and properly written in such number and gender.

18.4 Captions. The captions in this Lease are inserted only as a matter of convenience and for ease of reference and in no way define, limit, enlarge or describe the scope or intent of this Lease, nor shall they in any way affect this Lease or the construction of any provision hereof.

18.5 Counterparts. This Lease may be executed in any number of identical counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

18.6 Lessee's Successors and Assigns. The covenants, conditions and agreements in this Lease shall bind and inure to the benefit of Lessee, and, except as otherwise expressly provided in this Lease, its legal representatives, heirs, successors and assigns.

18.7 Lessor's Successors and Assigns. The term "Lessor" as used in this Lease means the fee owner of the Property from time to time, or, if different, the party from time to time holding and exercising the right as against all others to possession of the Premises. Lessor represents that it is the holder of such right as of the date hereof. In the event of the voluntary or involuntary transfer of such ownership or right to a successor-in-interest of Lessor, Lessor shall be discharged and relieved of all liability and obligations hereunder which shall thereafter accrue and Lessee shall look solely to such successor-in-interest for the performance of the covenants and obligations of Lessor hereunder which shall thereafter accrue. The liability of Lessor and its successors-in-interest under or with respect to this Lease, and of Lessor's directors, officers, and employees, shall be strictly limited to and enforceable solely out of its or their interest in the Premises and shall not be enforceable out of any other assets. Subject to the foregoing, the provisions hereof shall bind and inure to the benefit of the successors and assigns of Lessor.

## EXECUTION COPY

18.8 Invalidity of Provisions. If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

18.9 No Joint Venture. Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of: (i) principal and agent; (ii) a partnership; or (iii) a joint venture between the parties hereto, it being understood and agreed that neither any provisions contained herein nor any acts of the parties hereto shall be deemed to create any relationship to the parties hereto other than the relationship of landlord and tenant.

18.10 Exhibits. All exhibits attached to this Lease are incorporated herein by this reference and made a part hereof as if fully set forth, in this Lease; provided, however, in the event that at the time of the execution of this Lease any of the exhibits attached hereto are incomplete the parties shall use their best efforts to complete such exhibits at the earliest possible date.

18.11 No Recordation. Except as otherwise provided herein, this Lease shall not be recorded in the public records in whole or in memorandum form by either party hereto without the prior written consent of the other.

18.12 Time of Essence. Time is of the essence of this Lease.

18.13 Business Interruption. Lessor shall not be liable for damages by reason of any inconvenience or interruption to the business of Lessee arising from any taking under the power of eminent domain, any loss or damage to or destruction of the Premises by fire, casualty or other cause whatsoever, or from the making of additions, alterations or repairs to the Premises.

18.14 Entire Agreement. This Lease sets forth all the promises, agreements, conditions and understandings between Lessor and Lessee relative to the Premises, and there are no promises, agreements, conditions or understandings either oral or written between them other than as are herein set forth. Except as otherwise provided herein, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Lessor and Lessee unless made in writing and signed by both parties hereto.

18.15 Liability of the Commonwealth of Pennsylvania. This Lease is not an obligation of the Commonwealth or any political subdivision thereof, other than Lessor, nor shall the Commonwealth or any political subdivision thereof, other than Lessor, be liable for any of the obligations under this Lease. Nothing contained in this Lease shall be deemed to pledge the general credit or taxing power of the Commonwealth or any political subdivision thereof.

18.16 Marketing. Both Lessor and Lessee shall actively and diligently market the services provided by Lessee at the Premises to third parties; provided, however, that Lessor shall also market the services provided by tenants occupying other piers and facilities in the Port of Philadelphia and shall be under no obligation to favor the Premises above other piers and facilities in its marketing efforts. Lessee shall market its services offered at the Premises and the

## EXECUTION COPY

Premises itself in a professional, first-class manner at least equivalent to the marketing efforts of similar enterprises.

18.17 Publicity. Lessee and Lessor agree to cooperate with each other in advertising, promotion and marketing activities for the Premises and the Port of Philadelphia.

18.18 Mechanic's Liens. Lessee will not permit, and will promptly discharge, at its costs and expense, all liens and charges upon the Premises or any part thereof arising by reason of any labor or materials furnished or claimed to have been furnished to or on behalf of Lessee, its agents, sublessees, licensees, assigns, permittees, employees or independent contractors or by reason of any construction, alteration, addition, repair or demolition of any part of the Premises (by or on behalf of Lessee, its agents, sublessees, licensees, assignees, permittees, employees or independent contractors). Lessor shall have, and is hereby given, authority to enter upon the Premises at any reasonable time to post notices in a reasonable manner and at reasonable places which, in its option, shall be necessary to hold Lessor harmless from any claim or liability arising out of any work done on the Premises. Notice is hereby given that Lessor will not be liable for any labor, services or materials furnished or to be furnished by or for Lessee, or to anyone holding the Premises through or under Lessee, and that no mechanic's or other such lien for any such labor or materials shall attach to or affect the interest of Lessor in and to the Premises.

18.19 Statutory Authority. This Lease is being entered into pursuant to the provisions of Section 11(c) of the Philadelphia Regional Port Authority Act, Act of July 10, 1989, P.L. 291, No. 1989-50, with approval of a majority of the members of the Board of the Authority.

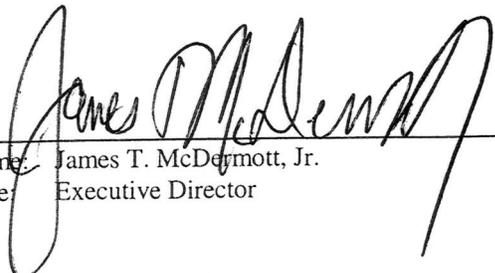
18.20 Lessee Integrity Provisions. During the Term of this Lease, Lessee hereby agrees to fully comply with Lessee Integrity Provisions set forth in Exhibit "F" attached hereto and hereby made a part hereof.

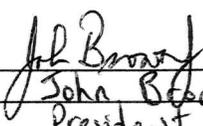
18.21 Amendment and Restatement. This Lease amends, restates, and supercedes the terms and provisions of the Original Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the day and year first above written

PHILADELPHIA REGIONAL  
PORT AUTHORITY

PENN WAREHOUSING &  
DISTRIBUTION, INC.

By:   
Name: James T. McDermott, Jr.  
Title: Executive Director

By:   
Name: John B. Brown, Jr.  
Title: President

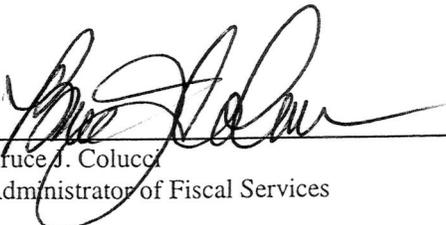
Approved as to Legality  
and Form:

Approved as to Propriety and  
Availability of Funds:

PHILADELPHIA REGIONAL  
PORT AUTHORITY

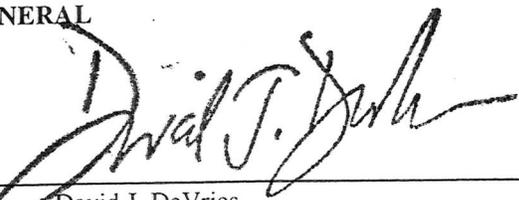
PHILADELPHIA REGIONAL  
PORT AUTHORITY

By:   
Name: Gregory V. Iannarelli, Esquire  
Title: Chief Counsel

By:   
Name: Bruce J. Colucci  
Title: Administrator of Fiscal Services

OFFICE OF THE ATTORNEY  
GENERAL

OFFICE OF THE BUDGET

By:   
Name: David J. DeVries  
Title: Chief Deputy Attorney General

By:   
Name: Veronica A. Botts  
Title: Comptroller

EXHIBIT "A"

THE PREMISES - DIAGRAM OF PIER 82 SOUTH

EXHIBIT "B"

RESPECTIVE MAXIMUM LOAD LIMITS OF PIER

EXHIBIT "C"

DELEGATION AGREEMENT

**EXHIBIT "D"**

**EXPLOSIVES PERMITTED BY LESSOR OR THE  
CITY'S REGULATION OF MARCH 30, 1983**

EXHIBIT "E"

PROVISIONS OF EMPLOYMENT PRACTICES

EXHIBIT "F"

LESSEE INTEGRITY PROVISIONS

Commonwealth of Pennsylvania  
Office of Attorney General

March 12, 2001

**RECEIVED**

**MAR 14 2001**

**COMPTROLLER'S OFFICE**  
Referred To: \_\_\_\_\_

SUBJECT: CONTRACT APPROVAL

TO: VERONICA A. BOTTS  
PHILA REG. PORT AUTHORITY

FROM: David J. DeVries ~~DJD~~  
Chief Deputy Attorney General  
Review and Advice Section

The referenced contract(s) has been approved for form and legality pursuant to the Commonwealth Attorneys Act, 71 P.S. Section 732.101 et seq.

No approval or opinion is offered as to the manner of execution if the document was submitted in proposed form. No approval or opinion is offered concerning any document referenced but not submitted or any events or other occurrences giving rise to the contract's creation or submission. Our review does not extend to compliance with the laws of other jurisdictions. To the extent, if any, that such other laws may be applicable to the making or performance of the contract in any respect, the agency may want to consult with counsel in that jurisdiction.

DJD:jn  
ATTACHMENTS  
0007

Commonwealth of Pennsylvania  
Office of Attorney General

Contracts approved for:  
PA Regional Port Authority  
March 12, 2001

AGREEMENT	K NUMBER	CONTRACTOR
1. CONTRACT	0581	DELAWARE RIVER PORT AUTHORITY
2. CONTRACT	0582	DELAWARE RIVER PORT AUTHORITY
3. CONTRACT	0583	PENN WAREHOUSING DISTRIBUTION INC
4. CONTRACT	0584	ASTRO HOLDINGS INC