

THIS SPACE IS FOR
COURT USE ONLY



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*together with continually accruing interest, costs and fees (including attorneys' fees) as provided in the applicable loan and security documents

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PRIALL

PREIT Services, LLC
AR Details with Aging

9/21/2010 13:30:57
Page - 1
Aging Date 9/21/2010

Company: 00111 Hudson Associates

Document... Bill Invoice Due Date/
Ty Number Item Code Lease # Date Check Date

Original Amount Open Amount Current 1 - 30 31 - 60 61 - 90 91 - 120 Over 120

Customer: 167097 Ashley Stewart Type REG Phone Number: (813) 653-1359 6/11/2010

RN20659009 001 RTS 00191388 6/3/2009 6/3/2009 7.89 7.89

RN20660763 001 LATE 00191388 6/17/2009 6/17/2009 23.18 23.18

RN20661317 001 RTS 00191388 6/19/2009 6/19/2009 351.78 351.78

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RN20693228 001 LEGL 00191388 9/18/2009 9/30/2009 1,196.09 1,196.09

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RJ 20737078 001 %RNT00191388 1/21/2010 1/21/2010 6,399.04 6,399.04

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RJ 20852373 002 %RNT00191388 2/23/2010 2/23/2010 6,399.04- 6,399.04-

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RN2182343 001 LATE 00191388 3/25/2010 3/25/2010 16.26 16.26

RD21228830 001 WATRO00191388 8/1/2010 8/1/2010 128.00 128.00

RD21228830 002 RENT 00191388 8/1/2010 8/1/2010 4,583.33 4,583.33

RD21241049 001 RENT 00191388 9/1/2010 9/1/2010 4,583.33 4,583.33

RD21241049 002 WATRO00191388 9/1/2010 9/1/2010 128.00 128.00

RN21243121 001 LATE 00191388 8/30/2010 8/30/2010 16.26 16.26

RN21243122 001 LEGL 00191388 8/30/2010 8/30/2010 609.12 609.12

Customer: 167097 Ashley Stewart 19,985.27 19,985.27 5,336.71 4,711.33 9,937.23

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PREIT Services, LLC
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Page - 2
Aging Date 9/21/2010

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| Company: 00111 | | Hudson Associates | | Billing Date: 02/26/10 | |
| ... Document... | Bill | Invoice | Due Date/ | | |
| Ty | Number | Item | Code | Lease # | Date |
| Co Total | 00111 | Hudson Associates | | | |
| | | | Original Amount | Open Amount | Current |
| | | | 19,985.27 | 19,985.27 | |
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| | | | 19,985.27 | 19,985.27 | |
| | | | 5,336.71 | 4,711.33 | |
| | | | 9,937.23 | | |
| Grand Total | | | | | |

LEASE AGREEMENT

BY AND BETWEEN

HUDSON ASSOCIATES LIMITED PARTNERSHIP, as Landlord

and

LARGE APPAREL OF NEW JERSEY, INC., as Tenant

TRADE NAME: Ashley Stewart Woman Sizes 14-26

08/18/97
TK/HM

FUNDAMENTAL LEASE PROVISIONS

This Lease is executed and made as of September 5, 1997, by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP, a limited partnership (herein called "Landlord") and LARGE APPAREL OF NEW JERSEY, INC. (herein called "Tenant"), Landlord and Tenant having the following notice addresses:

Landlord:

Hudson Associates Limited Partnership
c/o The Rubin Organization, Inc.
200 South Broad Street
The Bellevue, Third Floor
Philadelphia, PA 19102
Attn: General Counsel

Copy to:

Hudson Mall
Management Office
Route 440
Jersey City, NJ 07304
Attn: General Manager

Tenant:

Large Apparel of New Jersey, Inc.
100 Metro Way
Secaucus, NJ 07094

Attn: Jeffrey Klein, Esq.

Certain Fundamental Lease Provisions are presented in this Section and represent the agreement of the parties hereto, subject to definition and elaboration in the respective referenced Sections and elsewhere in this Lease:

- (a) **Tenant's Trade Name:** Ashley Stewart Woman Sizes 14-26 (See Sec. 7.01)
- (b) **Term:** Approximately one hundred twenty (120) months commencing on the Rent Commencement Date. The Rent Term expires on the next January 31 following the one hundred twentieth (120th) month following the Rent Commencement Date (the "Expiration Date") (See Sec. 3.01)
- (c) **Tenant Store Number:** 46 (See Exh. A)
- (d) **GLA of Premises:** 4,709 square feet (See Sec. 1.04)
- (e) **Design Drawings Submission Date:** June 1, 1997 (See Sec. 2.03)
- (f) **Tenant's "Construction Commencement Date":** September 5, 1997 (See Sec. 2.03)
& "Construction Period": Sixty (60) days (See Sec. 2.03)
- (g) **Minimum Rent:** \$80,000.00 per Year \$6,666.66 per month (See Sec. 4.03)
- (h) **Percentage Rent:** Ten percent (10%) [the "Percentage"] of Gross Sales in excess of the Sales Break Point of \$800,000.00 per Year or if applicable, the Partial Year Break Point in the case of a Partial Year: (See Sec. 4.04)

Tenant shall not be obligated to pay Minimum Rent for the first twenty-eight (28) months of the Term following the Rent Commencement Date.

- (i) **Required Opening Date:** November 1, 1997, subject to Section 23.06 (See Sec. 4.02)
- (j) **Security Deposit:** N/A (See Sec. 2.02)
- (k) **Marketing Service Charge:** N/A (See Sec. 9.01)
Minimum Advertising Charge: N/A (See Sec. 9.02)
- (l) **Certain Other Charges Payable by Tenant:**
Services Charges (See Sec. 6.02)
- (m) **"Agent" and To Whom Rent Payable:**
The Rubin Organization, Inc.
as agent (the "Agent") for Landlord
c/o The Rubin Organization, Inc.
P.O. Box 7370
Philadelphia, PA 19101
- (n) **Use:** The display and sale, at retail, of large and half-sized women's apparel and lingerie and as incidental, the display and sale, at retail of misses, children's, infant's, men's and ladies apparel, furnishings, accessories, lingerie, perfume, health and beauty aids, costume jewelry (including precious metals) handbags, shoes, scarves, gift and boutique items, cosmetics and wigs. Tenant may perform alterations on apparel sold at the Premises. (See Sec. 7.01)

LEASE AGREEMENT

ARTICLE 1: INTRODUCTORY PROVISIONS

Section 1.01: REFERENCES AND CONFLICTS.

References appearing in the Fundamental Lease Provisions are to designate some of the other places in this Lease where additional provisions applicable to the particular Fundamental Lease Provisions appear. Each reference in this Lease to any of the Fundamental Lease Provisions shall be construed to incorporate all of the terms provided for under such provisions, and such provision shall be read in conjunction with all other provisions of this Lease applicable thereto. If there is any conflict between any of the Fundamental Lease Provisions and any other provisions of this Lease, the latter shall control. The listing on the Fundamental Lease Provisions of monetary charges payable by Tenant shall not be construed to be an exhaustive list of all charges or the amount thereof payable by Tenant under this Lease.

Section 1.02: GENERAL DEFINITIONS.

(a) The term "**Shopping Center**" means the land shown on Exhibit "A" attached hereto and by this reference incorporated herein, as the same may hereafter be reduced, expanded or otherwise altered from time to time.

(b) The term "**Mall Premises**" means the Shopping Center excluding however the Majors' Premises and the term "Mall Premises" includes the same as reduced, expanded or otherwise altered from time to time.

(c) The term "**Landlord's Building**" means the buildings, structures and other improvements shown in general on Exhibit "A" and includes the "Enclosed Mall" (hereinafter defined), but excludes the Majors' Premises (hereinafter defined). Landlord's Building is part of the Mall Premises. The term "Landlord's Building" includes the same as reduced, expanded or otherwise altered from time to time.

(d) The term "**Majors' Premises**" (or "Major's Premises") means the premises shown on Exhibit "A" by such term, or by the word "Major" or name of the prospective or actual principal occupant thereof (the "Majors" or a "Major"), and the term "Majors' Premises" (or "Major's Premises") includes the same as reduced, expanded or otherwise altered from time to time. The term "**Major**" (or "**Majors**") includes any replacement for or other substitute of the primary occupant of a Major's Premises as well as, in the case of an expansion on or of the Shopping Center, the primary occupant of the premises equal to or exceeding, in terms of GLA, the GLA of any one (1) of the Majors' Premises shown on Exhibit "A" hereof (even though those premises may not be originally shown thereon). References in this Lease to a Major or Majors shall include any such replacement, substitute or additional Major and its premises are included within the terms "Majors' Premises" and "Major's Premises".

(e) The term "**Common Areas**" means all areas, facilities and improvements operated or provided at or in connection with the Shopping Center from time to time for the non-exclusive common use of Landlord, the tenants of the Mall Premises and the Majors, and shall include but not be limited to the "Enclosed Mall" (hereinafter defined), parking areas, roadways, ramps, traffic controls, truck ways, loading and unloading docks, delivery areas, sidewalks, stairways, escalators and elevators (if any), service corridors, exit corridors, seating areas, buffer areas, screening facilities, merchandise pickup stations (excluding those of Majors, if any), public rest rooms and comfort stations, retaining walls, landscaped areas, open space areas, utility systems, sanitary and other waste handling systems, holding tanks, force mains, fire detection and/or suppression systems, life safety systems, security systems, community rooms, drainage systems, and lighting systems. The term "Common Areas" includes the same as reduced, expanded or otherwise altered from time to time.

(f) The term "**Enclosed Mall**" means the enclosed climate controlled pedestrian mall located in Landlord's Building, and the term "Enclosed Mall" includes the same as reduced, expanded or otherwise altered from time to time.

(g) The term "**Premises**" means the space demised by this Lease and situated in Landlord's Building which space is in the approximate location marked on Exhibit "A" to the ceiling height above the structural floor set forth in Landlord's "Store Design Criteria" (defined in Section 2.03(b) hereof).

(h) The term "**Fast Food Cluster**" means the area or areas now or in the future specifically designated by Landlord for small restaurant or other food service operations situated in Landlord's Building or elsewhere in the Mall Premises, including the individual premises and any seating areas located therein and the maintenance and housekeeping areas primarily serving the Fast Food Cluster. The term "Fast Food Cluster" includes the same as reduced, expanded or otherwise altered from time to time.

(i) The term "**GLA**" means with respect to the Premises and all other leasable areas, Landlord's best estimate of the number of square feet of area on all floors in Landlord's Building for the exclusive use by the tenants or other occupants thereof and their customers, clients or other invitees including without limitation mezzanines and balconies if used for the sale of goods and/or services (but excluding all other areas and space defined herein as part of Common Areas). GLA shall be measured from the exterior face of exterior walls and the exterior face of service corridor walls, the line along the front of the Premises where the Premises abuts the Enclosed Mall as shown on Exhibit A (which line is commonly known as the "Lease Line"), or the Lease Line of any pop-outs referred to in Section 1.04, as the case may be, and the center line of any wall Tenant shares with other tenants or occupants of the Landlord's Building. No deduction from GLA shall be made for columns, stairs, elevators, or any interior construction or equipment. From time to time during the Term, Landlord may give Tenant notice of the GLA of Landlord's Building, at a given time for a given period of time, as such GLA may be revised because of reductions, expansions or other alterations of Landlord's Building or as such GLA may be adjusted pursuant to provisions in the leases of other tenants or occupants similar to those set forth in Section 1.04. The GLA of the Premises and of Landlord's Building shall be utilized to calculate the GLA Fraction (defined in Section 1.02(j)) and to make any other calculations required to determine the charges to Tenant.

(j) The term "**GLA Fraction**" means a fraction, the numerator of which shall be the GLA of the Premises and the

denominator of which shall be the GLA of Landlord's Building, subject, however, to the provisions of Section 4.08.

(k) The term "**Junior Major(s)**" means an occupant, (not herein identified as or otherwise hereunder constituting a "Major") which owns, occupies or leases (i) any building or ground not connected to Landlord's Building (e.g., a so called "out parcel") or (ii) in excess of 15,000 square feet of GLA in the Shopping Center and the term "Junior Major(s) Premises" means the premises in the Shopping Center owned, occupied or leased by a Junior Major, as well as the premises labeled "Junior Major" on Exhibit "A".

(l) The term "**Lease**" as used in this document (the "**Lease**") shall mean the Fundamental Lease Provisions, the Lease Agreement, the Exhibits attached hereto and Addendum, if any.

Section 1.03: EXHIBITS.

The following plans and special provisions are attached hereto as Exhibits, are incorporated herein and hereby made a part of this Lease.

- EXHIBIT A Plan of the Shopping Center as presently constituted which plan also shows the approximate location of the Premises.
- EXHIBIT B Guarantee of Lease (the "**Guarantee**"), if applicable, (as used herein, "**Tenant's Guarantor**" means the guarantor or guarantors under the Guarantee);
- EXHIBIT C Completion Certificate.

Section 1.04: GLA OF PREMISES.

The GLA of the Premises may be recalculated by Landlord during the Term. In the event the recalculated GLA of the Premises differs from the GLA set forth in the Fundamental Lease Provisions and Landlord or Agent so notifies Tenant, from and after the date of such notice the GLA of the Premises shall be deemed amended to correspond to the recalculated GLA and the Minimum Rent and Gross Sales Break Point and Partial Year Break Point shall be deemed to be those amounts which bear the same relationship to the Minimum Rent, Gross Sales Break Point and Partial Year Break Point stated in this Lease or determined by the provisions thereof, as the actual recalculated GLA of the Premises bears to the GLA set forth on the Fundamental Lease Provisions. For the purposes of this Lease, the Gross Sales Break Point and Partial Year Break Point are collectively referred to as the "Break Point".

Tenant shall have the right, at its expense, to re-measure the Premises in accordance with the Lease, provided Tenant does so within thirty (30) days of the date Landlord delivers possession of the Premises to Tenant. If there is any variance, Landlord, at its cost, may re-measure the Premises. If the parties cannot agree on a measurement, Landlord or Tenant will hire an independent architect acceptable to the other party to re-measure the Premises and the results of such architect shall be binding. Landlord and Tenant shall each pay one-half (1/2) of the cost of such architect.

Tenant may, subject to receipt of all required governmental approvals and Landlord's prior written approval, "pop-out" all or a portion of the storefront. Should Tenant install a pop-out storefront, the GLA of the Premises shall be increased to include the square foot area of the pop-out(s). The Minimum Rent and the Break Point shall be adjusted in accordance with the formula set forth in this Section, to include the area of such pop-out(s).

Section 1.05: CHANGES TO SHOPPING CENTER.

As between Landlord and Tenant, Landlord may at any time and from time to time eliminate land from, or add to or substitute for land of, the Shopping Center or any part thereof, or eliminate, add or substitute any improvements, or change, enlarge or consent to a change in the shape, size, location, number, height, or extent of the improvements to the Shopping Center or any part thereof, including, without limitation adding additional levels to any existing buildings therein.

If Landlord exercises its rights to add new buildings or change the Common Areas or perform any other acts authorized by this Section, and in so doing, Landlord substantially interferes with Tenant's physical ability to conduct business in the Premises to such a degree that Tenant, solely as a result of such acts authorized by this Section, is unable to remain open for business for a period of time in excess of three (3) consecutive business days and Tenant closes for business, then Landlord agrees that as Tenant's sole and exclusive remedy for such interference the Minimum Rent thereafter falling due shall abate until Tenant is capable of recommencing business operations.

Section 1.06: CROSS EASEMENT AGREEMENT.

Deleted

ARTICLE 2: PREMISES AND TENANT'S WORK

Section 2.01: LEASE OF PREMISES.

Landlord, in consideration of the "Rent" (defined in Section 4.01) to be paid and the covenants to be performed by Tenant, does hereby demise and lease unto Tenant, and Tenant hereby leases and takes from Landlord, for the Term, at the rental, and upon the covenants, conditions and other terms herein set forth, the commercial space referred to herein as the Premises situated or to be situated in Landlord's Building, as the case may be.

Landlord represents, warrants and covenants that the Premises are presently zoned, and are in conformity with

applicable law, so as to permit: (i) the renovation of the Premises in accordance with the provisions hereof; (ii) the operation of a retail store business in the Premises upon the renovation thereof in accordance with the provisions hereof; (iii) the Premises to be lawfully used for retail sales to the public of merchandise and services as set forth herein; and (iv) sufficient parking to comply with applicable zoning codes.

Landlord represents, warrants and covenants that Landlord's title to the Premises is not subject to any covenant, agreement, reservation, lien, easement, restriction and/or encumbrance which would prohibit Tenant from using the Premises in accordance with the Use permitted herein.

Section 2.02: SECURITY DEPOSIT.

Deleted

Section 2.03: PREPARATION OF PLANS AND TENANT'S WORK.

(a) Tenant has had the opportunity to examine the Premises and hereby agrees to accept same in the "as is" condition in which the Premises exist on the date Landlord turns over the key to the Premises to Tenant or Tenant's designee. Tenant further acknowledges that Landlord has not made any representations as to the present or future condition of the Premises, the presence or absence of hazardous materials (hereinafter defined) and chlorofluorocarbons therein or what items, if any, the present occupant of the Premises is required to or may leave therein. Landlord shall not be required to send Tenant any formal notice tendering possession of the Premises nor shall Landlord be liable in the event the existing occupant of the Premises fails to timely vacate the same, except that any delay in occupancy shall extend the Required Opening Date specified herein for a period equal to the number of days between the Construction Commencement Date specified herein and the date such former tenant vacates; provided that if physical possession of the Premises is not available by a date which is one year from the Construction Commencement Date, at Landlord's option, this Lease shall be null and void and neither party shall have any liability hereunder to the other.

(b) Tenant shall perform all work required to be performed by Tenant to fully and completely remodel the Premises and to adapt the same for Tenant's use including installing a demising wall separating the Premises from the adjacent Premises, as such use is specified and limited by the Fundamental Lease Provisions, all such work being referred to herein as "Tenant's Work". Tenant shall design the Premises in accordance with Landlord's current store and storefront design criteria booklet and otherwise comply with all requirements therein (herein called "Store Design Criteria"), a copy of which Tenant acknowledges it has received. Tenant shall instruct its architect or designer to prepare Tenant's plans for the Premises in compliance with the Americans with Disabilities Act, the Clean Air Act and all other applicable laws, rules, codes, and regulations. In the event of any inconsistencies between the text of this Lease and the Store Design Criteria, the latter shall prevail. Entry by Tenant to the Premises prior to the Rent Commencement Date shall be subject to all of the provisions of this Lease, except the duty to pay Rent but Tenant shall pay for all utilities and services supplied to it during such period. Tenant agrees to perform Tenant's Work in such manner so as not to cause any interference with the use, occupancy or enjoyment of the remainder of the Shopping Center, or any part thereof. Tenant shall promptly cause to be repaired all items which may have been damaged as a result of the performance of Tenant's Work promptly upon the occurrence of such damage and shall at all times keep all portions of the Shopping Center (other than the Premises) free from and unobstructed by debris, equipment or materials related to Tenant's Work.

(c) On or before the Design Drawing Submission Date, Tenant shall submit to Landlord's tenant coordinator (herein called the "Tenant Coordinator") for the Landlord's approval design drawings (herein called the "Design Drawings") specifying each aspect of Tenant's Work and specifically including a colored rendering of the proposed storefront and signing, sample materials to be used in the Premises and sign, photograph of fixtures to be used and the interior layout of the Premises. The Design Drawings shall be prepared in accordance with the Store Design Criteria. After receipt of the Design Drawings, Landlord shall return to the Tenant the Design Drawings, either "approved", "approved as noted" or "disapproved"; if they are marked "disapproved", Landlord shall also note the reasons of such disapproval. On or before thirty (30) days after receipt of the "disapproved" Design Drawings, Tenant shall resubmit to the Tenant Coordinator revised Design Drawings meeting Landlord's objections. Landlord shall thereafter return the same to Tenant, marked as set forth above and Tenant shall within an additional thirty (30) day period resubmit revised drawings until the same have been "approved as noted" or "approved". On or before thirty (30) days after receipt of "approved as noted" or "approved" Design Drawings Tenant shall submit to the Tenant Coordinator for Landlord's approval, working drawings and specifications (herein called "Final Plans") for architectural, electrical, mechanical, sprinkler and plumbing work within the Premises and all other Tenant Work proposed by Tenant and shown on the Design Drawings and required by the Store Design Criteria. The Final Plans shall be prepared in accordance with the Design Drawings as marked "approved as noted" or "approved" by Landlord. The Final Plans shall incorporate any revisions required by Landlord to the Design Drawings, including those forming the basis of Landlord's approving the same "as noted". After receipt of the Final Plans, Landlord shall return to Tenant the Final Plans, marked either "approved", "approved as noted" or "disapproved". If they are marked "disapproved", Landlord shall state the reasons for such disapproval and Tenant shall, or before ten (10) days after receipt of such "disapproved" Final Plans, correct any deficiencies stated by Landlord and resubmit within ten (10) days corrected Final Plans to Landlord until same are accepted as "approved as noted" or "approved". If Landlord accepts Tenant's Final Plans "approved as noted", Tenant need not resubmit the same to Landlord's Tenant Coordinator, but Tenant shall revise such Final Plans to incorporate Landlord's required changes and Tenant covenants that the Tenant Work in the Premises shall be constructed in such fashion as to comply with the notes disclosed on such "approved as noted" Final Plans. If Tenant does not correct such deficiency and resubmit any disapproved Final Plans within the required time period, such failure shall constitute an Event of Default. Tenant's Work shall be performed only in accordance with the Final Plans, as marked "approved as noted" or "approved" by Landlord. Tenant's failure to submit its Design Drawings on or before the Design Drawings Submission Date or Tenant's failure to commence Tenant's Work on or before the Construction Commencement Date shall be an Event of Default pursuant to Section 16.01 unless such failure results from Landlord's inability to deliver possession of the Premises to Tenant on the Construction Commencement Date.

(d) Together with Tenant's submission of its Design Drawings and together with any other plans submitted by Tenant relating to any other work in the Premises which Tenant desires or is required to perform, Tenant shall pay Agent one time only, the sum of One Hundred and 00/100 Dollars (\$100.00) to defray the cost of reviewing Tenant's Design Drawings

and Final Plans.

(e) On or before the Construction Commencement Date, Tenant shall deposit with Landlord certificates of insurance as required in Article 11 and a true copy of Tenant's building permit and shall commence Tenant's Work and prosecute it diligently and continuously to completion including installation of fixtures and equipment in the Premises. Within thirty (30) days after Tenant's opening the Premises for business, Tenant shall deliver to Landlord an executed Completion Certificate in the form attached hereto as Exhibit "C".

(f) Prior to the performance of any construction, alterations, additions or improvements to the Premises (including the initial Tenant's Work to be performed): (i) Tenant will enter into a written contract with the general contractor performing such work and with each supplier providing material and supplies in connection with such work which shall provide (a) that the contractor and supplier agree that neither they nor any subcontractors nor materialmen shall file any mechanic's, laborer's or materialman's liens or claims of liens therefor, against the Premises or the Shopping Center, or any part thereof, relating to any work upon or material supplied to or for the Premises (b) that all subcontracts and purchase orders executed in connection with any such work shall contain agreements similar to those referred to in (a) above, by the subcontractors and suppliers (c) that Tenant is entering into the contract as lessee and not on behalf of Landlord and that all stop notices thereafter filed by any subcontractor or supplier will be filed only against Tenant and will be binding only upon Tenant in connection with Tenant's obligation to make payments under the construction contract; and (ii) Tenant shall cause to be duly filed a copy of the written contract with each such contractor and supplier and all specifications accompanying the contract. Tenant or its contractors shall not be required to furnish any performance, labor or material payment bond(s).

(g) Landlord shall have the right to post and keep posted in the Premises notices of non-responsibility, or such other notices as Landlord may deem to be proper for the protection of the Landlord or Landlord's estate, right, title and interest in the Shopping Center and any part thereof. Tenant shall before the commencement of any work which might result in any claim, lien or other charge give to the Landlord written notice of its intention to commence said work in sufficient time to enable Landlord to post, file and record such notices. The provisions of this Section 2.03 shall apply with respect to Tenant's Work or any other work performed in or about the Premises at any time during the Term hereof.

Section 2.04: OPENING OF PREMISES.

(a) Except as provided for herein, Tenant agrees to open its business to the public in the Premises no later than the Required Opening Date specified in the Fundamental Lease Provisions.

(b) Except as provided for herein, Tenant shall complete, or cause to be completed, Tenant's Work and the installation of fixtures, equipment and merchandise no later than the Required Opening Date.

Section 2.05: MECHANIC'S LIENS.

(a) Tenant will not permit to be created or to remain undischarged any lien, encumbrance or other charge arising out of any work done or materials or supplies furnished by any contractor, subcontractor, mechanic, laborer or materialman or any mortgage, conditional sale, security agreement or chattel mortgage which might be or become a lien or encumbrance or other charge (collectively a "Charge") against or upon the Shopping Center or any part thereof, including without limitation the Mall Premises and Landlord's Building or the income therefrom. Tenant will not suffer any other matter or thing whereby the estate, right, title and interest of Landlord in the Shopping Center or any part thereof including without limitation the Mall Premises and Landlord's Building might be impaired. If any claim or lien or notice of claim or lien on account of an alleged debt of Tenant or any notice of contract or Charge by a person engaged by Tenant or Tenant's contractor to work on the Premises shall be filed against or upon the Shopping Center or any part thereof including without limitation, the Landlord's Building or the Mall Premises, Tenant shall within thirty (30) days after demand from Landlord, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such claim or lien, or notice of claim or lien or other Charge to be discharged within the period aforesaid, then, in addition to any other right or remedy it may have, Landlord may, but shall not be obligated to, discharge the same by payment, deposit or by bonding proceedings, and in any such event Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of the same by the claimant and to pay the amount of any judgment in favor of the claimant with interest, costs and allowances. Any amount so paid by Landlord and all interest, costs and expenses, including attorneys' fees, incurred by Landlord in connection therewith, shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord on demand. Nothing herein contained shall obligate Tenant to pay or discharge any charge created by Landlord.

(b) Tenant shall pay promptly all persons furnishing labor or materials with respect to any work by Tenant or Tenant's contractor in or about the Premises. No work which Landlord permits Tenant to do shall be deemed to be for the immediate use and benefit of Landlord so that no mechanics' or other claim, lien or other Charge shall be allowed against the estate, right, title or interest of Landlord by reason of any consent given by Landlord to Tenant to do work in or about the Premises or provide materials therefor. Nothing contained herein shall imply any consent or agreement on the part of Landlord to subject Landlord's estate to liability under any mechanics' or other lien law.

ARTICLE 3: TERM

Section 3.01: TERM OF THIS LEASE.

The term of this Lease (sometimes herein called the "Term") means the period of the "Interim Term" (hereafter defined) followed immediately by the period of the "Rent Term" (hereinafter defined). The "Interim Term" means the period commencing on the date of this Lease and ending on the date immediately preceding the Rent Commencement Date. The "Rent Term" means the period commencing on the Rent Commencement Date and ending on the Expiration Date, as extended pursuant to Section 21.02 hereof or by agreement executed by Landlord and Tenant or sooner terminated as

provided herein, as the case may be.

Section 3.02: YEARS.

The term "Year" means each successive twelve (12) month period from February 1 through January 31 occurring during the Term, plus, if applicable any Partial Year. "Partial Year" means the period between and including the Rent Commencement Date, if that date is not February 1, and the next succeeding January 31 and, if applicable, if the Term ends on other than a January 31, the period beginning on the last February 1 of the Term and ending on the last day of the Term.

ARTICLE 4: RENT

Section 4.01: TENANT'S AGREEMENT TO PAY RENT.

Tenant hereby agrees to pay for the right of use and occupancy of the Premises during the Term, at the times and in the manner herein provided, the Minimum Rent, Percentage Rent and Additional Rent. As used in this Lease, the term "Rent" means, collectively, the Minimum Rent, Percentage Rent and Additional Rent.

Section 4.02: RENT COMMENCEMENT DATE.

As used in this Lease, the term "Rent Commencement Date" shall mean the earlier of:

- (a) the date on which Tenant initially opens its business to the public in the Premises (the "Actual Opening Date"); or
- (b) except as provided for herein, the calendar date set forth as the Required Opening Date in the Fundamental Lease Provisions.

Section 4.03: MINIMUM RENT.

- (a) The base rent Tenant shall pay Landlord for each Year shall be the amount set forth in the Fundamental Lease Provisions as the Minimum Rent per Year and shall be payable in twelve (12) equal monthly installments, in advance, on the first day of each calendar month.
- (b) The base rent Tenant shall pay Landlord for any Partial Year shall be that amount set forth in the Fundamental Lease Provisions as the Minimum Rent per Year times the Partial Year Fraction. As used in this Lease, "Partial Year Fraction" means a fraction, the numerator of which is the number of days in the applicable Partial Year, and the denominator of which is three hundred sixty-five (365). The base rent payable for a Partial Year shall be paid in equal monthly installments, in advance, on the first day of each calendar month, except that if the Rent Commencement Date is not the first day of a calendar month, then that portion of such base rent which is attributable to the days in that first partial calendar month shall be paid, in advance, on the Rent Commencement Date.
- (c) The base rent payable by Tenant pursuant to Section 4.03(a) or (b), whichever is applicable, is called the "Minimum Rent" in this Lease. Minimum Rent shall be prorated for partial months, if any. If the Minimum Rent increases during the Rent Term, for the purpose of determining the date on which Minimum Rent increase(s) become effective, a partial month shall be disregarded.

Section 4.04: PERCENTAGE RENT.

- (a) In addition to Minimum Rent, Tenant shall pay Landlord percentage rent (herein called "Percentage Rent") as determined by this Article 4. The Percentage Rent for each Year shall be an amount equal to the "Percentage" (which is set forth in the Fundamental Lease Provisions) multiplied by the amount of Gross Sales made during such Year in excess of the Break Point set forth in the Fundamental Lease Provisions. The Percentage Rent for each Partial Year shall be an amount equal to the Percentage multiplied by the amount of Gross Sales made during such Partial Year in excess of the Partial Year Break Point. The term "Partial Year Break Point" shall mean an amount equal to the Break Point multiplied by the Partial Year Fraction for the applicable Partial Year.
- (b) In each Year or Partial Year, Tenant shall be obligated to pay Percentage Rent beginning with the first month in which the aggregate amount of Gross Sales made for such Year or Partial Year exceeds the Break Point. Tenant shall pay Percentage Rent (in addition to Minimum Rent and Additional Rent) for each and every succeeding month during the remainder of such Year or Partial Year on all additional Gross Sales. Each payment of Percentage Rent shall be paid by Tenant to Landlord without demand and otherwise as set forth in this Article 4 together with Tenant's monthly statement of Gross Sales provided for in Section 4.06, subject to the annual adjustment provided for in such Section 4.06.
- (c) In the event any Break Point is subject to adjustment during the term of this Lease, and the date on which any such adjustment is to occur (hereafter referred to as the "Rental Adjustment Date") is other than the first day of a Year, the Break Point for the Year in which the Rental Adjustment Date shall fall shall be the sum of: (1) the initial Break Point multiplied by a fraction the numerator of which shall be the number of days in the period commencing on the first day of the Year in which the Rental Adjustment Date shall fall and ending on the day immediately prior to the Rental Adjustment Date and the denominator of which shall be three hundred sixty-five (365), plus (2) the latter Break Point multiplied by a fraction, the numerator of which shall be the number of days in the period commencing on the Rental Adjustment Date and ending on the last day of the Year in which the Rental Adjustment Date shall fall and the denominator of which shall be three hundred sixty-

five (365).

Section 4.05: GROSS SALES.

(a) The term "Gross Sales" means the total gross receipts and receivables of all merchandise, wares and other goods sold or leased and the actual charges for all services performed, business conducted and accommodations rendered by Tenant and by any subtenant, licensee, concessionaire and other occupant in, at, from, or arising out of the use of the Premises, whether wholesale or retail, whether for cash or credit, or otherwise, and including the value of all consideration other than money received for any of the foregoing, without reserve or deduction for inability or failure to collect, including but not limited to sales, leases and services:

- (i) where the orders therefor originate in, at, from or arising out of the use of the Premises, whether delivery or performance is made from the Premises or from some other place and regardless of the place of bookkeeping for, payment of, or collection of any account; or
- (ii) made or performed by mail, telephone, or telegraph orders received or filled in, at or from the Premises; or
- (iii) made or performed by means of telephonic, mechanical or other vending means or devices in or for the Premises; or
- (iv) which Tenant, and any subtenant, licensee, concessionaire and other occupant, in the normal and customary course of its business, would or does credit or attribute to its operations at the Premises or any part thereof.

Any deposit accepted and retained by Tenant shall be included in Gross Sales. Each installment or credit sale shall be treated as a sale for the full price in the month during which such sale is made, irrespective of whether or when Tenant receives payment therefor. No franchise, value added tax, capital stock tax, tax based upon assets or net worth or gross receipt tax, and no income or similar tax based on income or profits shall be deducted from Gross Sales.

(b) Only the following shall be excluded from Gross Sales:

- (i) any exchange of merchandise between stores of Tenant when such exchange is made solely for the convenient operation of Tenant's business and is not for the purpose of consummating a sale made in, at or from the Premises;
- (ii) returns to suppliers, shippers or manufacturers;
- (iii) cash or credit refunds to customers on transaction otherwise included in Gross Sales;
- (iv) sales of fixtures, machinery and equipment, which are not stock for sale or trade, after use thereof in the conduct of Tenant's business;
- (v) amounts separately stated in the sales receipt and collected from customers which are paid by Tenant to any government for any sales or excise tax imposed by law at the point of sale;
- (vi) bona fide, close-out or bulk sales of inventory to jobbers or wholesalers;
- (vii) sales to employees of Tenant or its parent company or affiliates at a discount not to exceed two percent (2%) of Gross Sales per Year;
- (viii) shipping charges separately stated;
- (ix) proceeds of the sale of substantially all of the assets of Tenant at the Premises;
- (x) proceeds of insurance or condemnation;
- (xi) the unpaid balance of any credit or check sale which is written off as uncollectible in accordance with generally accepted accounting principles not to exceed two percent (2%) of Gross Sales per Year;
- (xii) proceeds of sale of trade equipment or fixtures, including track lighting;
- (xiii) proceeds of sales from vending machines installed for the convenience of employees of Tenant;
- (xiv) lay-away sales, except to the extent of amounts actually received by Tenant;
- (xv) charges for alterations to apparel sold at the Premises;
- (xvi) the amount of all discounts, returns, refunds, credits, allowances and adjustments made to Tenant's customers;
- (xvii) financing and credit card charges payable by Tenant to credit card companies;
- (xviii) finance charges on credit card sales payable to Tenant by Tenant's customers;
- (xix) the amounts of all retail sales taxes, including federal, city, county or state sales tax, luxury or excise tax;
- (xx) the amount of returns to shippers or manufacturers for credit;
- (xxi) sums and credit received from shippers or manufacturers in settlement of claims for loss or damage merchandise; and
- (xxii) the exchange or transfer of inventory between the Premises and any store owned by Tenant or any parent, affiliate or subsidiary of Tenant, where such exchange or transfer is made for the convenient operation of Tenant's business and not for the purpose of avoiding a sale which would otherwise be included in Gross Sales.

Section 4.06: REPORTING OF GROSS SALES; YEAR END ADJUSTMENT.

(a) Tenant shall furnish to Landlord within twenty (20) days after the end of each calendar month during the Term a complete statement (the "Monthly Report"), certified by Tenant (or a responsible financial officer thereof if Tenant is a corporation), setting forth (i) the amount of Gross Sales during such month, (ii) the aggregate amount of Gross Sales during such Year (or Partial Year, as the case may be), including such month, (iii) the amount, if any, by which such aggregate amount of Gross Sales exceeds the Break Point and (iv) the amount of Percentage Rent previously paid by Tenant to Landlord for such Year (or Partial Year, as the case may be). The Monthly Report shall be in such form and style and contain such details and breakdown as Landlord may reasonably require.

(b) Tenant will also furnish to Landlord within sixty (60) days after the end of each Year a complete statement (the "Yearly Report"), certified by the chief financial officer of Tenant, showing in reasonable detail the amount of Gross Sales during such Year and the amount paid to Landlord pursuant to Section 4.04(b) for such Year. The Yearly Report shall be accompanied by the signed opinion of the person certifying the Yearly Report specifically stating that such person has read the definition of "Gross Sales" contained in this Lease, that such person has examined the Yearly Report of Gross Sales of

such Year, that such persons' examination included such tests of Tenant's books and records as such person considered necessary under the circumstances, and that the Yearly Report accurately represents the Gross Sales of such Year.

(c) An adjustment shall be made with the furnishing of each Yearly Report with respect to Percentage Rent as follows: if Tenant shall have paid to Landlord an amount greater than Tenant is required to pay as Minimum Rent and Percentage Rent under the terms of Sections 4.03 and 4.04(a), Tenant shall receive a credit of such excess against payments of Minimum Rent next becoming due to Landlord; or, if Tenant shall have paid an amount less than was required to be so paid, then Tenant shall forthwith pay such difference. In no event, however, shall the sum of the Minimum Rent and Percentage Rent to be paid by Tenant and retained by Landlord under the terms of Sections 4.03 and 4.04(a) for any given Year be less than the Minimum Rent for such Year.

(d) The reports required by this Section 4.06 shall be delivered to Landlord at the notices address of Landlord or to such other person and/or to such other place as may be designated from time to time by notice from Landlord to Tenant.

Section 4.07: TENANT'S RECORDS & AUDITS.

(a) Tenant covenants and agrees that the business records of Tenant and of any subtenant, licensee or concessionaire shall be maintained in accordance with generally accepted accounting principles. Furthermore, Tenant shall keep at all times during the Term, at the Premises or at the home or regional office of Tenant, full complete and accurate books of account and records in accordance with generally accepted accounting practice with respect to all operations of the business conducted in or from the Premises, including the recording of Gross Sales and the receipt of all merchandise and other goods into and the delivery of all merchandise and other goods from the Premises during the Term, and shall retain such books and records, copies of all tax reports and tax returns submitted to taxing authorities, as well as copies of contracts, vouchers, checks, inventory records and other documents and papers in any way relating to the operation of such business for at least three (3) years from the end of the period to which they are applicable, or if any audit is required or a controversy should arise between the parties hereto regarding the Rent payable hereunder, until such audit or controversy is terminated even though such retention period may be after the expiration of the Term or earlier termination of this Lease. Such books and records shall be open at all reasonable times during the aforesaid retention period to the inspection of Landlord or its duly authorized representatives, who shall have full and free access to such books and records and the right to require of Tenant, its agents and employees, such information or explanation and audit thereof and the right to require Tenant to make such books, records and other materials which Tenant is required to retain available at such place where Tenant maintains its books and records for the Premises for such examination and audit. Landlord may only conduct an audit once per calendar year.

(b) The acceptance by the Landlord of payments of Percentage Rent shall be without prejudice to the Landlord's examination and audit rights hereunder. Landlord may at any reasonable time, upon ten (10) days' prior written notice to Tenant, cause a complete audit to be made of Tenant's entire books, records and other materials which Tenant is required to retain (including the books and records of any subtenant, licensee, concessionaire and other occupant) for all or any part of the three (3) year period immediately preceding the day of the giving of such notice by Landlord to Tenant. If such audit shall reveal a deficiency in any payment of Percentage Rent, Tenant shall forthwith pay to Landlord the amount of the deficiency.

(c) If such audit shall disclose that (i) any of the Yearly Reports understate Gross Sales during the reporting period of the report to the extent of three percent (3%) or more; or (ii) Tenant has not recorded Gross Sales, or kept books of account and records, as and for the period required by this Section 4.07; or (iii) if Tenant shall be delinquent in delivering to Landlord the Yearly Report or Monthly Reports for two (2) consecutive months, or more than twice in any Year or Partial Year, then such understatement, failure or delinquency shall be an Event of Default. In addition, in the event of such understatement or failure, Landlord shall have the right to bill to Tenant the amount of any deficiency in Percentage Rent and the reasonable cost of said audit which shall be paid by Tenant within ten (10) days after demand which deficiency will bear interest at the "Default Rate" (defined in Section 16.03 hereof) from and after the date it should have been paid until paid.

(d) Deleted

Section 4.08: ADDITIONAL RENT.

In addition to Minimum Rent and Percentage Rent, Tenant shall pay, as additional rent (herein sometimes collectively called "Additional Rent") all other amounts, sums of money or charges of whatsoever nature required to be paid by Tenant to Landlord pursuant to this Lease, whether or not the same is designated as "Additional Rent".

Section 4.09: WHERE RENT PAYABLE AND TO WHOM; NO DEDUCTIONS.

Rent payable by Tenant under this Lease (whether Minimum Rent, Percentage Rent, or Additional Rent) shall be paid when due without prior demand therefor (unless such prior demand is expressly provided for in this Lease), shall be payable without any deductions or setoffs or counterclaims whatsoever (except for credits expressly permitted by this Lease) and shall be paid by Tenant to Landlord at the payment address of Landlord set forth in the Fundamental Lease Provisions or to such payee and/or at such other place as may be designated from time to time by notice from Landlord to Tenant. At the end of the Term, provided Tenant is not in default, Landlord shall refund to Tenant any amount of excess Rent paid to Landlord and any other amounts due from Landlord to Tenant. Any Rent, or installment thereof, which is not paid by Tenant to Landlord within seven (7) calendar days after it is due shall bear interest at the Default Rate.

ARTICLE 5: TAXES AND ASSESSMENTS

Section 5.01: TENANT'S TAX CHARGE.

Deleted

Section 5.02: PAYMENT BY TENANT.

Deleted

Section 5.03: TENANT'S ADDITIONAL TAX OBLIGATIONS.

(a) Tenant shall pay before delinquency any and all taxes, assessments, impositions, excises, fees and other charges levied, assessed or imposed by governmental or quasi-governmental authority upon Tenant or its business operation, or based upon the use or occupancy of the Premises, or upon Tenant's leasehold interest, trade fixtures, furnishings, equipment, leasehold improvements (including, but not limited to, those required to be made pursuant to Tenant's Work) alterations, changes and additions made by Tenant, merchandise and personal property of any kind owned, installed or used by Tenant in, from or upon the Premises. If the property of Landlord is included in any of the foregoing items, the aforesaid taxes, assessments, impositions, excises, fees and other charges shall nonetheless be paid by Tenant as herein provided. Tenant shall pay, when due and payable, any sales tax, or other tax, assessment, imposition, excise or other charge now or hereafter levied, assessed or imposed upon or against this Lease or any Rent or other sums paid or to be paid hereunder, or Tenant's, Landlord's or Agent's interest in this Lease or any Rent or other sums paid or to be paid hereunder. Should the appropriate taxing authority require that any tax, assessment, imposition, excise or other charge referred to in this Section 5.03(a) be collected by Landlord or Agent for or on behalf of such taxing authority, then such tax, assessment, imposition, excise or other charge shall be paid by Tenant to Landlord or to Agent monthly as Additional Rent in accordance with the terms of any notice from Landlord or Agent to Tenant to such effect. The taxes, assessments, impositions, excises, fees and other charges described in this Section 5.03(a) shall be the obligation of Tenant and not Landlord or Agent. If any tax, assessment, imposition, excise, fee or other charge covered by this Section 5.03(a) is imposed on Landlord or Agent, Tenant shall pay the same to Landlord within thirty (30) days after receipt of each bill therefor. The parties hereto acknowledge that the taxes referred to in this Section 5.03(a) are not real estate taxes.

(b) Deleted

ARTICLE 6: SERVICES

Section 6.01: SERVICES.

(a) Tenant agrees to connect to and use the utilities, facilities and/or services (including electricity, sanitary sewer, water, chilled water, gas, telephone and any other utility facility and/or service) supplied to or for the Premises by Landlord or the applicable utility company, municipality and/or other governmental body or authority supplying the utility service and to pay Landlord or the applicable utility company or other supplier thereof for such utilities. Landlord shall incur no liability to Tenant, nor shall this Lease be affected, in the event that any utility, facility and/or service becomes unavailable from any source of supply or for any reason not within Landlord's control.

If any utilities furnished by Landlord become unavailable for a period in excess of three (3) days solely by reason of Landlord's negligence and Tenant is forced to close its business to the public due to such interruption, then after the third day of such closing, Tenant's Minimum Rent shall abate until such time as service is restored.

(b) In the event the Premises do not presently contain an electric or other utility meter, at Landlord's request Tenant shall, within forty five (45) days after receipt of such request, at its sole cost and expense, install a meter of a type approved in advance by Landlord, provided Landlord requires all other tenants in Landlord's Building to do the same.

Section 6.02: SERVICE CHARGES.

(a) In the event any utilities used in the Premises are supplied by Landlord, Tenant agrees to pay the charges for such use, as Additional Rent, in advance, on the first day of each month during the Term (prorated for any fractional month). Such charges are collectively called the "Services Charges". Landlord shall invoice Tenant for the amount of the monthly Services Charges for the Premises. If Tenant fails to make any such payment to Landlord within ten (10) days from the date such payment is due, or upon failure of Tenant to pay any other sums of Minimum Rent, Percentage Rent, Additional Rent, or other Rent or charges due under the provisions of this Lease in full, Landlord may, without limitation, cut off and discontinue any such water, energy and sanitary services furnished to or for the Premises, without any liability to Landlord. Any action by Landlord pursuant to the provisions of this Section 6.02 shall not be construed as an eviction or disturbance of possession or an election by Landlord to terminate this Lease. Landlord agrees that Tenant shall not be charged at a rate higher than Tenant would pay if Tenant obtained utilities directly from the utilities company.

(b) Unless due to the negligence of Landlord, its agents, employees or contractors, Landlord shall not be liable to Tenant in damages or otherwise if any of the utilities supplied by Landlord are interrupted or terminated because of necessary repairs, installations or improvements, or any cause beyond the Landlord's control, nor shall any such interruption or termination relieve Tenant of the performance of any of its obligations hereunder. Tenant shall operate the Premises in such a manner as shall not waste energy or water or burden or harm sanitary service. Landlord may cease to furnish any one or more of said services without responsibility to Tenant except to connect the service facilities with such other nearby source as may be available for the services so discontinued.

Section 6.03: TELEPHONE.

All telephone service required by Tenant for its Premises shall be obtained by Tenant and shall be installed by the appropriate utility company. All charges for telephone service (including the installation thereof) shall be billed directly to Tenant by the utility company providing the service. Tenant shall pay to the appropriate utility company all charges as and when they become due and payable.

Section 6.04: TRASH AND GARBAGE REMOVAL.

Deleted

ARTICLE 7: USE OF PREMISES

Section 7.01: SOLE USE AND TRADE NAME.

Tenant covenants and agrees that throughout the Rent Term, Tenant shall continuously use and operate all of the Premises for the use set forth in the Fundamental Lease Provisions and under Tenant's Trade Name set forth therein except that Tenant may change its Trade Name at any time throughout the Term without Landlord's consent provided such Trade Name is used by seventy five percent (75%) of Tenant's stores in the state of New Jersey with the same or similar use as permitted herein. Tenant shall not use or permit the Premises to be used for any other purpose or under any other trade name without the prior written consent of Landlord. Except as provided for herein, Tenant agrees that if Tenant or anyone else claiming through or under Tenant uses the Premises for a use or trade name not set forth in the Fundamental Lease Provisions without Landlord's prior written consent, such conduct shall constitute an Event of Default. Tenant shall, at its expense, procure any and all governmental licenses and permits, including, without limitation, sign permits, required for the conduct of business in or from the Premises and shall, at all times, comply with the requirements of each such license and permit. Landlord does not represent or warrant that it will obtain for Tenant (or that Tenant will be able to obtain) any license or permit.

Section 7.02: HOURS.

Tenant covenants and agrees that throughout the Rent Term, Tenant shall continuously operate, conduct its business within and otherwise use the Premises in accordance with the terms and conditions of this Lease, including, without limitation, the provisions of Section 7.01 hereof and all of the other provisions of this Article 7 (unless the Premises are rendered unfit for occupancy by reason of fire or other casualty, in which event Article 12 shall control). Tenant will keep the Premises open for business to the public at least: (a) every Monday through Saturday from 10:00 a.m. until 9:30 p.m.; and (b) also on Sunday from 11:00 a.m. until 6:00 p.m. (unless prohibited by jurisdictional authorities) as required by Landlord. In addition to any other right or remedy, the Break Point shall be reduced, at Landlord's option, on a *per diem* basis for each violation of the foregoing and Tenant shall pay to Landlord the Percentage Rent so computed by Landlord. The *per diem* reduction shall be the amount of the applicable Break Point divided by 360 for each violation. Tenant agrees that Landlord may change the foregoing business hours from time to time to reflect local custom or seasonal shopping patterns provided that such changes are uniformly applied to the majority of retail tenants in Landlord's Building. Tenant shall not be required to keep the Premises open during hours when the Enclosed Mall is closed to the public. The requirements of this Section 7.02 are subject, with respect to any business controlled by governmental regulations in its hours of operation, to the hours of operation so prescribed by such governmental regulations and are further subject to applicable federal, state, and local environmental and other laws, rules, or regulations, guidelines, judgments or orders.

Notwithstanding anything contained herein, Tenant shall not be required to remain open for business during any hours beyond those typically maintained by Kids 'R Us and Toys 'R Us or sixty percent (60%) of the retail tenants in Landlord's Building. Tenant may close for business two (2) days per Year for the purpose of taking inventory.

Section 7.03: OPERATIONAL REQUIREMENTS.

Tenant agrees that it:

(a) will not in connection with the Premises conduct or permit to be conducted any auction, fire, bankruptcy or going out of business sales, or similar type sale, or utilize any unethical method of business; provided, however, that this provision shall not restrict the absolute freedom (as between Landlord and Tenant) of Tenant to determine its own selling prices nor shall it preclude the conduct of periodic, seasonal, promotional or clearance sales;

(b) will not use or permit the use of any apparatus for sound and/or light reproduction or transmission including loudspeakers, phonographs, radios or televisions, or of any musical instrument in such manner that the sounds so reproduced, transmitted or produced shall be audible beyond the interior of the Premises; will not distribute, or cause to be distributed, at the Shopping Center or in any part thereof any handbills or other advertising or notices; and will not conduct or permit any activities that might constitute a nuisance, or which are prurient or otherwise not generally considered appropriate in accordance with standards of operation for the Shopping Center established by Landlord; will not install any antennae or other communication equipment on the roof of Landlord's Building or any where on the exterior of the Premises;

(c) will keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the confines of the Premises; will not cause or permit strong, unusual, offensive or objectionable sound, sights, odors, fumes, dust or vapors to emanate or be dispelled from the Premises;

(d) will not load or permit the loading or unloading of merchandise, supplies or other property, nor ship, nor receive, outside the area and entrance designated therefor by Landlord from time to time; will not permit the parking or standing outside of said area of trucks, trailers, or other vehicles or equipment engaged in such loading or unloading in a manner which may interfere with the use of any Common Areas or any pedestrian or vehicular use and good regional shopping center practice; will use its best efforts to complete or cause to be completed all deliveries, loading, unloading and services to the Premises prior to 9:30 a.m. each day;

(e) except as set forth in Section 10.01 will not paint or decorate any part of the exterior or interior of the Premises, or change the architectural treatment, fixturing, decor or other appearance of the interior or exterior of the Premises, without first obtaining Landlord's written approval of such painting, decoration or change; and will remove promptly upon order of Landlord any paint, decoration or change which has been applied to or installed upon the exterior or interior of the Premises

without Landlord's written approval;

(f) will keep the inside and outside of all glass in the doors and windows of the Premises clean and will replace any cracked or broken glass with glass of the same kind, size and quality; will maintain the Premises at its own expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin, and other pests and will use an exterminator designated by Landlord and at times designated by Landlord; will not burn or permit undue accumulation of garbage, trash, rubbish and other refuse; will (subject to Section 6.04) remove the same from the Premises to compactors or other receptacles designated by Landlord, and will keep such refuse in proper containers in the interior of the Premises until so removed from the Premises;

(g) will comply with all applicable federal, state and local environmental and other laws, rules, regulations, guidelines, judgments and orders and all recommendations of any public or private agency having authority over insurance rates which now or in the future enact requirements with respect to the use or occupancy of the Premises by Tenant, including, without limitations the requirements imposed by the Americans with Disabilities Act which imposes requirements relating to the design and use of the Premises and the requirements imposed by the Clean Air Act which imposes, among others, requirements relating to the venting, use of, and disposal of chlorofluorocarbons and other refrigerants; will not use or permit the use of any portion of the Premises for any unlawful purpose; and will conduct its business in the Premises in all respects in a dignified manner and in accordance with high standards of store operation;

(h) will provide, or cause to be provided all security within its Premises as it deems appropriate;

(i) will also comply with and observe all reasonable and non-discriminatory rules and regulations established by Landlord from time to time in accordance with Section 8.05;

(j) will not permit the use of any portion of the Premises for solicitations, demonstrations or any activities inconsistent with reasonable standards of a first class shopping mall;

(k) will not use, or permit to be used, the malls or sidewalks adjacent to the Premises, or any other space outside of the Premises for the display or sale or offering for sale of any merchandise or for any other business, occupation or undertaking;

(l) will provide or cause to be provided within the Premises, without cost or expense to Landlord, adequate lighting and security for its licensees, invitees and employees during such periods as the Premises are open for business;

(m) will maintain at all times a full staff of employees and a complete stock of merchandise and other goods consistent with the use of the Premises;

(n) will conduct its business to maximize profitable Gross Sales;

(o) will between the end of the forty-eighth month and the beginning of the seventy-third month in the Term, at Tenant's sole cost and expense and in accordance with plans or sample materials theretofore submitted to and approved by Landlord, perform a cosmetic refurbishment of all surfaces in the interior of the Premises, which refurbishment shall include, as a minimum, the replacement of all worn carpeting, repainting or rewallpapering, as the case may be, all walls which were originally painted or papered, and the replacement of discolored ceiling tiles;

(p) will conduct its labor relations and its relations with employees in such a manner as to avoid all strikes, picketing, boycotts or hand billing at or about the Premises and the Mall Premises. Tenant further agrees that if, during the period of any work by or for Tenant in or about the Premises in connection with such work there is a strike, picketing, boycotting, hand billing or other activity objectionable to Landlord, Tenant shall remove or cause to be removed from the Premises and the Mall Premises all persons, to the extent not prohibited by law, until such strike, picketing, boycotting, hand billing or other activity ceases and the cause thereof is settled to Landlord's satisfaction;

(q) will not, without obtaining Landlord's prior written approval, which approval may be withheld in Landlord's discretion, install any storage or propane tank, whether above or underground, at the Premises or in the Shopping Center and if Landlord shall consent to such installation, Tenant will comply with all applicable laws, regulations and underwriter requirements concerning the installation, operation, and closure of such tank. Upon termination of this Lease, Landlord shall have the option of requiring that Tenant, at Tenant's sole cost and expense, perform tests relating to the condition of such tank and/or remove any tank installed by Tenant and associated contaminated material. Tenant shall be deemed the owner and operator of any tank installed by Tenant. Tenant shall relocate such tank at Landlord's request and at Tenant's expense, to another location acceptable to Landlord;

(r) will, if applicable, install and properly maintain a grease trap and either a "black iron duct", or other self-contained venting and exhaust system acceptable to Landlord. Such items shall be installed in a manner, of materials and at a location approved in advance by Landlord and shall, at Landlord's option, connect to trunk facilities, if any, supplied by Landlord for same.

(s) will not use the plumbing facilities for any purpose other than that for which they were constructed and will not dispose of any damaging or injurious substance therein;

(t) will not install, or permit to be installed or operate any coin or token operated vending machine, game machine, pinball machine, pay telephones, pay lockers, pay toilets, scales, amusement devices and machines for the sale of beverages, foods, candy, cigarettes or other commodities, except solely for use by Tenant's employees in non sales area and not to exceed collectively two (2) machines or other devices; and

(u) will not rent or sell any audio or video cassettes, except for store promotional audio tapes and CD's.

Section 7.04: TENANT'S USE OF ROOF, EXTERIOR WALLS, ETC.

Tenant shall not, without having obtained the prior written consent of the Landlord, perform any work of any nature whatsoever to the roof, exterior walls or to any of the structural portions of Landlord's Building or the Premises or in areas reserved to Landlord or excluded from Tenant in the Store Design Criteria. Any damage to the Premises or any person or property occurring as a result of a breach of this provision shall be the sole responsibility, cost and expense of the Tenant. Notwithstanding Tenant's rights set forth elsewhere in this Lease, Landlord may erect additional stories or other structures over all or any part of the Premises, Landlord's Building and any other part of the Mall Premises. In connection with such erection, or otherwise, Landlord may relocate Tenant's equipment and may erect temporary scaffolds and other aids to such construction at Landlord's sole cost and expense.

In the event Landlord elects to erect additional stores or other structures over all or any part of the Premises, Landlord shall make a good faith effort not to obstruct or to interfere with the conduct of Tenant's business; provided, however, if Landlord's construction renders the Premises unfit for the carrying on of Tenant's business, then and from and after the third (3rd) day of such interference, Tenant's Minimum Rent shall abate until such time as the Premises are again fit for the carrying on of Tenant's business.

Section 7.05: OPERATION OF HVAC SYSTEM.

Tenant agrees, during the hours the Premises is open for business, to control and/or operate as applicable the HVAC system serving the Premises regardless of whether such equipment was installed by Landlord or Tenant so that conditions inside the Premises are maintained within a range of 68 to 72 degrees Fahrenheit or within such range as may be prescribed by applicable governmental authorities so that heat, ventilation and cooled air are not drained from the Premises or the Enclosed Mall.

Section 7.06: EMPLOYEE PARKING AREAS.

Landlord may, from time to time, designate that particular portions of the Shopping Center parking areas (the "Employee Parking Areas") are to be used by Tenant and its employees, or other individuals working at or from the Premises. If Landlord does so, Tenant and its employees shall park their vehicles only in the Employee Parking Areas. Tenant shall furnish Landlord with a list of Tenant's and employees' vehicle license numbers within fifteen (15) days after Landlord's request and at Landlord's request, the Tenant shall thereafter notify Landlord in writing of any addition, deletion or other change to or from such list within fifteen (15) days after Landlord makes such request. Tenant shall notify each employee in writing of the provisions of this Section 7.06 prior to each employee commencing employment or work at or from the Premises. If Tenant or any of its employees do not park their vehicles in the Employee Parking Areas, Landlord may give Tenant notice of such violation. If Tenant does not cease such violation, or cause such violation by the employee to cease, as the case may be, within two (2) days after Landlord's notice of violation is given, Tenant shall pay to Landlord, as Additional Rent, an amount equal to Twenty Five Dollars (\$25.00) per day per violating vehicle after two (2) notices in each calendar year. For any subsequent violations, said Twenty Five Dollars (\$25.00) per day per violating vehicle charge shall commence without the necessity of further notice, and Landlord shall, in addition, have the right to have the violating vehicles towed at Tenant's expense.

Section 7.07: NON-COMPETITION COVENANT.

Deleted

Section 7.08: SIGNS AND ADVERTISING.

Tenant shall not place or permit to be placed on the exterior of the Premises or the door, window or roof, within any display window or within one (1) foot behind the entry to the Premises, any sign, decoration, lettering or advertising matter without the Landlord's prior written approval, except that Tenant may utilize such material within the Premises on a temporary basis (collectively, the "Temporary Signs") to advertise special sales or promotional events without Landlord's approval provided that such Temporary Signs are professionally made, in good taste and not taped to any window of the Premises. Tenant shall submit to Landlord reasonably detailed drawings of its proposed signs (other than Temporary Signs) for review and approval by Landlord prior to utilizing same. All signs, awnings, canopies, decorations, lettering, advertising matter or other items used by Tenant shall be insured and maintained at all times by Tenant in good condition, operating order and repair. Flashing signs are prohibited. Tenant shall install one internally illuminated, individually lettered sign or other type of sign as specified by Landlord above the storefront of the Premises and professionally lettered name signs on its service doors both in accordance with plans and specifications thereafter approved by Landlord.

Landlord shall have the right, after five (5) days prior written notice to Tenant and without liability for damage to the Premises reasonably caused thereby, to remove any items displayed or affixed in or to the Premises which Landlord determines (in its reasonable judgement) to be in violation of the provisions of this Section 7.08.

Tenant will keep the storefront sign and display windows in the Premises lighted during all periods that the Enclosed Mall is open to the public and for one-half hour after required business hours and for such other periods as may be reasonably required by rules and regulations established in accordance with Section 7.03.

ARTICLE 8: COMMON AREAS

Section 8.01: USE OF COMMON AREAS.

(a) Tenant and its employees and invitees are, except as otherwise specifically provided in this Lease, authorized, empowered and privileged during the Term to use the Common Areas for their respective intended purposes in common with

other persons. Tenant's right to use any meeting room or auditorium, if any, in the Common Areas shall be subject to such schedules and payment of such fees or charges therefor as Landlord may from time to time adopt governing the use thereof.

(b) Landlord shall at all times have the right to utilize the Common Areas including, without limitation, the Enclosed Mall for promotions, exhibits, carnival type shows, rides, outdoor shows, displays, automobile and other shows or events, the leasing or licensing of kiosks, push carts and food facilities, landscaping, seating areas, seasonal displays, decorative items, and any other use which, in Landlord's judgment, tends to attract customers to, or benefit the customers of the Shopping Center. Notwithstanding the foregoing, Landlord agrees not to place any kiosk within twenty (20) feet straight out in front of the Premises from demising wall to demising wall.

Section 8.02: COMMON AREA MAINTENANCE SUM.

Deleted

Section 8.03: CAM CHARGE.

Deleted

Section 8.04: CHANGES BY LANDLORD.

As between Landlord and Tenant, Landlord shall at all times have the right and privilege of determining the nature and extent of the Common Areas and of making such changes, rearrangement, additions or reductions therein and thereto from time to time which in its opinion are deemed to be desirable or which are made as a result of any federal, state or local environmental or other law, rule, regulation, guideline, judgment or order, including but not limited to, the location, relocation, enlargement, reduction or addition of driveways, entrances, exits, automobile parking spaces, employee and customer parking areas (if any), the direction and flow of traffic, installation of prohibited areas, landscaped areas, and any and all other facilities of the Common Areas. Landlord (or others entitled to) may from time to time make alterations, reductions, or additions anywhere within Landlord's Building or to the Common Areas or other part of the Shopping Center or any lands or improvements added thereto, construct additional buildings or improvements on the Common Areas or elsewhere and make alterations thereto, build additional stories on any buildings, construct multi-level or elevated or underground parking facilities, and construct roof, walls, and any other improvements over, or in connection with any part of, or all of, the Common Areas in order to enclose same.

If, during the period of such alterations, remodeling, construction or repairs, such work materially adversely affects or obstructs the flow of traffic to the Premises so as to render the Premises unfit for the carrying on of business, from and after the third full business day of said interruption, Minimum Rent shall abate until the Premises are again rendered fit for the conducting of business.

Section 8.05: RULES AND REGULATIONS.

Tenant agrees that Landlord may establish and from time to time change, alter and amend, and enforce against Tenant, such reasonable rules and regulations as Landlord may deem necessary or advisable for the proper and efficient use, operation and maintenance of the Common Areas, provided that all such rules and regulations affecting Tenant and its invitees and employees shall apply equally and without discrimination to substantially all of the retail tenants in Landlord's Building or substantially all retail tenants engaging in certain acts or of a certain use. The rules and regulations herein provided for may include, but shall not be limited to, the hours during which the Common Areas shall be open for use.

Section 8.06: LANDLORD'S MAINTENANCE AND CONTROL.

Landlord agrees to maintain and operate, or cause to be maintained and operated, the Common Areas in good and reasonable condition and manner. Landlord shall, as between Landlord and Tenant, at all times during the Term have the sole and exclusive control, management and direction of the Common Areas, and shall provide or cause to be provided, security in the Common Areas at a level determined by Landlord (and Tenant shall provide, or cause to be provided, adequate security within Tenant's Premises as Tenant deems appropriate). Landlord may at any time and from time to time during the Term exclude and restrain any person from use or occupancy of any of the Common Areas, excepting, however, Tenant and other tenants of Landlord and bona fide invitees of either who make use of said areas for their intended purposes and in accordance with the rules and regulations established by Landlord from time to time with respect thereto. The rights of Tenant in and to the Common Areas shall at all times be subject to the rights of others to use the same in common with Tenant, and it shall be the duty of Tenant to keep all of the Common Areas free and clear of any obstructions or interferences created or permitted by Tenant or resulting from Tenant's operation. Landlord may at any time and from time to time close all or any portion of the Common Areas to make repairs or changes, or to such extent as may, in the opinion of Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein, to close temporarily any or all portions of the Common Areas and to do and perform such other acts in and to Common Areas as, in the exercise of good business judgment, Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by occupants and tenants, their employees and invitees.

ARTICLE 9: PROMOTION OF SHOPPING CENTER AND MINIMUM ADVERTISING

Deleted

ARTICLE 10: CONSTRUCTION WORK

Section 10.01: APPROVALS AND STANDARDS.

Tenant shall not perform any construction or make any alterations or changes in or to the Premises at any time during the Term (herein sometimes collectively called "**Construction Work**") without Landlord's prior written consent. In no event shall Tenant make or cause to be made any penetration through any roof, floor or exterior or corridor wall without the prior written consent of Landlord. Tenant shall be directly responsible for any and all damages, including, without limitation, damages to Landlord's Building, the Premises and the premises of other tenants in Landlord's Building resulting from any of Tenant's Construction Work, whether or not Landlord's consent therefor was obtained. Any and all Construction Work which is consented to by Landlord shall be performed in accordance with (a) plans and specifications prepared by a licensed architect, or engineer and approved in writing by the Landlord before the commencement of the Construction Work, (b) all necessary governmental approvals and permits, which approvals and permits Tenant shall obtain at its sole expense, and (c) all applicable laws, rules, regulations and building codes relating thereto. All Construction Work shall conform to Landlord's Store Design Criteria and shall be performed in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of the Construction Work. Any Construction Work performed by Tenant without Landlord's consent shall be returned to its original condition at Tenant's expense upon request by Landlord. Tenant shall perform any Construction Work in such a manner as not to obstruct the access to the premises of any other occupant to the Enclosed Mall nor obstruct other Common Areas.

Notwithstanding anything set forth in Section 10.01 to the contrary, Tenant may without Landlord's consent, make alterations to the interior of the Premises which do not alter, modify or in any other manner whatsoever affect the structural portions of the Premises (including, but not limited to, the storefront) and/or the structural integrity of the building of which the Premises shall form a part and/or the plumbing, electrical, heating, ventilating or air conditioning or mechanical systems and installations in the Premises, provided that any such alteration (or series of such related alterations) does not involve a cost or aggregate cost (as the case may be) in excess of Twenty Five Thousand and 00/100 Dollars (\$25,000.00) per Year.

Section 10.02: INSURANCE AND RECONSTRUCTION.

In the event Tenant shall perform any permitted or required Construction Work, none of the Construction Work need be insured by Landlord under such insurance as Landlord may carry upon the Landlord's Building nor shall Landlord be required under any provisions of this Lease relating to reconstruction of the Premises to reconstruct or reinstall any such Construction Work.

ARTICLE 11: INDEMNITY AND INSURANCE

Section 11.01: TENANT'S INSURANCE.

(a) Tenant further covenants and agrees that from and after the date of delivery of the Premises from Landlord to Tenant, Tenant will carry and maintain, at its sole cost and expense, the following types of insurance, in the amounts specified and in the form hereinafter provided for:

(i) **Commercial General Liability Insurance.** Commercial general liability insurance covering the Premises and Tenant's use thereof against claims for personal and bodily injury or death, property damage and product liability occurring upon, in or about the Premises, such insurance to afford protection to the limit of not less than \$3,000,000 in respect of property damage and bodily or personal injury or death to any number of persons arising out of any one occurrence. The insurance coverage required under this Section 11.01(a)(i) shall, in addition, extend to any liability of Tenant arising out of the indemnities provided for in Section 11.03. The general aggregate limits under the liability insurance policy or policies must apply separately to the Premises and to Tenant's use thereof. The certificate of insurance evidencing the commercial general liability form of policies shall specify on the face thereof that the limits of such policies apply separately to the Premises.

(ii) **Boilers.** Boiler and machinery insurance in adequate amounts on all fired objects and other fired pressure vessels and systems serving the Premises (if any); and if the said objects and the damage that may be caused by them or result from them are not covered by Tenant's extended coverage insurance, then such insurance shall be in an amount not less than \$250,000 and be issued on a replacement cost basis.

(iii) **Tenant Leasehold Improvements and Property.** Insurance covering all of the items included in Tenant's leasehold improvements, heating, ventilating and air conditioning equipment and all other improvements and betterments installed by (or demised by this Lease to) Tenant, and all trade fixtures, merchandise and personal property from time to time in, on or upon the Premises, and alterations, additions or changes made by Tenant pursuant to Article 10, in an amount not less than one hundred percent (100%) of their full replacement cost from time to time during the Term, providing special form coverage, including but not limited to, protection against the perils included with the standard state form of fire and broad form extended coverage insurance policy, together with insurance against sprinkler damage, vandalism and malicious mischief. Any policy proceeds from such insurance shall be held in trust by Tenant's insurance company for the repair, reconstruction and restoration or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article 12. Tenant may self insure for the insurance required in this subsection 11.01(a)(iii) provided Tenant or Tenant's guarantor maintain a net worth exceeding Twenty Five Million Dollars (\$25,000,000.00.)

(iv) **Workers' Compensation And Employer's Liability.** Workers' Compensation and Employer's Liability insurance affording statutory coverage and containing statutory limits with the Employer's Liability portion thereof to have minimum limits of \$1,000,000.00.

(v) **Business Interruption Insurance.** Business Interruption Insurance equal to not less than fifty percent (50%) of the estimated gross earnings (as defined in the standard state form of business interruption insurance policy) of Tenant at the Premises which insurance shall be issued on an "all risks" basis (or its equivalent).

Tenant shall not be required to maintain the Business Interruption Insurance set forth in this subsection 11.01(a)(v) of this Lease, but if Tenant elects not to maintain such insurance, then and automatically by such election and without the need of any further documentation, Tenant releases and discharges Landlord, its agents, servants and employees forever from any claims, actions, losses, damages, causes of action, manners of action, covenants, bonds and agreements arising out of or resulting from business interruption to the extent that the insurance required under this subsection 11.01(a)(v) would have covered the same by whomsoever or whatsoever caused. In all events Tenant shall be responsible to replace, at Tenant's sole cost and expense, all plate glass of or in the Premises including, without limitation, any forming part of the storefront.

(b) All policies of insurance provided for in Section 11.01(a) shall be issued to Landlord by insurance companies with a financial rating of not less than A as rated in the most current available "Best's Insurance Reports", and qualified to do business in the state in which Landlord's Building is located. Each and every such policy, except for Workers' Compensation and Employer's Liability insurance:

(i) shall be issued in the name of Tenant and shall name as an additional insured each of Landlord, Agent and any other parties in interest from time to time designated in writing by notice from Landlord to Tenant;

(ii) shall be for the mutual and joint benefit and protection of Landlord and Tenant and any such other parties in interest;

(iii) shall (or a certificate thereof shall) be delivered to each of Landlord and any such other parties in interest within thirty (30) days prior to the expiration of each such policy, and, as often as any such policy shall expire or terminate. Renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent;

(iv) shall contain a provision that the insurer will give to Landlord and such other parties in interest at least thirty (30) days notice in writing in advance of any material change, cancellation, termination or lapse, or the effective date of any reduction in the amounts of insurance;

(v) shall be written as a primary policy which does not contribute to and is not in excess of coverage which Landlord may carry; and

(vi) shall contain a provision that Landlord and any such other parties in interest, although named as an insured, shall nevertheless be entitled to recover under said policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence of Tenant.

(c) Any insurance provided for in Section 11.01(a) may be maintained by means of a policy or policies of blanket insurance, covering additional items or locations or insureds, provided, however, that:

(i) Landlord and any other parties in interest from time to time designated by Landlord to Tenant shall be named as an additional insured thereunder as its interest may appear;

(ii) the coverage afforded Landlord and any such other parties in interest will not be reduced or diminished by reason of the use of such blanket policy of insurance;

(iii) any such policy or policies [except any covering the risks referred to in Section 11.01(a)(i)] shall specify therein (or Tenant shall furnish Landlord with a written statement from the insurers under such policy specifying) the amount of the total insurance allocated to the Tenant's improvements and property more specifically detailed in Section 11.01(a)(iii); and

(iv) the requirements set forth in this Article 11 are otherwise satisfied.

(d) Tenant agrees to permit Landlord at all reasonable times to inspect the policies of insurance of Tenant with respect to the Premises for which policies or copies thereof are not delivered to Landlord.

Section 11.02: LANDLORD'S INSURANCE.

(a) Landlord shall at all times during the Term carry and maintain the following types of insurance in the amounts specified and in the form hereinafter provided for:

(i) **Commercial General Liability Insurance.** Commercial general liability insurance against claims for property damage and bodily injury or death, such insurance to afford protection to the limit of not less than \$5,000,000 in respect to property damage, injury or death to any number of persons arising out of any one occurrence.

(ii) **Landlord's Real and Personal Property.** Insurance covering the Landlord's Building [exclusive of any tenant improvements and betterments and property required to be insured by Tenant pursuant to Section 11.01(a)(iii)] in an amount not less than one hundred percent (100%) of full replacement cost (exclusive of the cost of excavations, foundations and footings), from time to time during the Term, providing protection against perils included within the standard state form of special form coverage insurance policy, together with insurance against sprinkler damage, vandalism and malicious mischief, and such other risks as Landlord may from time to time determine and with any such deductibles as Landlord may from time to time determine.

(b) Any insurance provided for in Section 11.02(a) may be maintained by means of a policy or policies of blanket insurance, covering additional items or locations or insureds provided that the requirements of Section 11.02(a) are otherwise satisfied.

(c) Tenant shall have no rights in any policy or policies maintained by Landlord and shall not be entitled to be named an insured thereunder, by reason of payment, as part of the CAM Sum of its share of Landlord's premiums for the insurance provided for in this Section 11.02 or otherwise.

Section 11.03: INDEMNIFICATION BY TENANT.

Unless due to the negligent act or omission of Landlord, its agents, contractors or employees, Tenant agrees that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Tenant or any other person during the Term, for any cause whatsoever (including without limitation bursting pipes and

smoke) by reason of the construction, use, occupancy or enjoyment of the Premises by Tenant or any person therein or holding under Tenant or happening upon or about the Premises and Tenant for the purposes of this Section 11.03 shall be deemed to be in exclusive control of the Premises during the Term. Tenant does hereby agree to and shall protect, defend, indemnify and save harmless Landlord and Agent from all claims, actions, demands, costs and expenses and liability whatsoever, including reasonable attorney's fees, on account of any such real or claimed event, damage or liability, and from all liens, claims and demands arising from any occurrence in, or about the Premises, or arising out of the construction, use, occupancy or enjoyment of the Premises, or occasioned in whole or in part by any act or omission of Tenant, its agents, contractors, servants, employees or invitees. Tenant shall not, however, be liable for damage or injury occasioned by the negligent or willful act of the Landlord which is the cause of damage or injury unless Tenant is required by this Lease to assume or insure against such damage or injury.

Landlord will defend and indemnify Tenant and save Tenant harmless from and against any and all claims, actions, damages, liability and expense (including, but not limited to, attorney's fees and disbursements) in connection with the loss of life, personal or bodily injury or damage to property or business arising from, related to, or in connection with the use or occupancy of the Common Areas of the Shopping Center or occasioned wholly or in part by act or omission of Landlord, its agents, servants or employees. Landlord shall not, however, be liable for damages or injury occasioned by the negligence or willful acts of Tenant, its agents, employees, or servants.

Section 11.04: MUTUAL WAIVERS.

Landlord and Tenant hereby waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises, its contents or to the other portions of Landlord's Building, arising from any risk covered by or required to be covered by special form coverage insurance, and to the extent of recovery under valid and collectible policies of such insurance, provided that such waiver does not invalidate such policies or prohibit recovery thereunder. The parties hereto each, on behalf of their respective insurance companies insuring the property of either Landlord or Tenant against any such loss, waive any right of subrogation that such insurers may have against Landlord or Tenant, as the case may be.

Section 11.05: COMPLIANCE WITH INSURANCE AND GOVERNMENTAL REQUIREMENTS.

Subject to Landlord's obligations in Section 13.01 to maintain the structure of the Premises, Tenant agrees at its own expense to comply with all Governmental Requirements (hereafter defined) as well as the recommendations and requirements, with respect to the Premises, or its use or occupancy, of the insurance underwriters or insurance rating bureau or any similar public or private body and any governmental authority having jurisdiction with respect to the use or occupancy of Landlord's Building, including, but not limited to, installation of fire extinguishers or automatic detection, suppression systems and/or life-safety systems, any changes, modifications or alterations in the detection and/or suppression systems or additional detectors and/or sprinkler heads or the location of partitions, trade fixtures, or other contents of the Premises. Notwithstanding the foregoing, Tenant shall not be required to make any structural changes, modifications or alterations as aforesaid unless same are required as a result of Tenant's specific use of the Premises. Landlord shall not materially change the dimensions of the Premises or materially affect access to the Premises from the Landlord's Building unless required to make any such changes by reason of any federal, state or local environmental or other law, rule, regulation, guideline, judgment or order (collectively "Governmental Requirements").

Section 11.06: EFFECT ON LANDLORD'S INSURANCE.

Tenant shall not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene Landlord's policies insuring against loss or damage by fire or other hazards, or which will prevent Landlord from procuring such policies in companies acceptable to Landlord at regular rates or which will in any way cause an increase in the insurance rates for any portion of the Shopping Center. If Tenant violates any prohibition provided for in the first sentence of this Section 11.06, Landlord may, without notice to Tenant, correct the same at Tenant's expense. Tenant shall pay to Landlord as Additional Rent forthwith upon demand the amount of any increase in the premiums for insurance resulting from any violation of the first sentence of this Section 11.06, even if Landlord shall have consented to the doing of or the keeping of anything on the Premises which constituted such a violation (but payment of such Additional Rent shall not entitle Tenant to violate the provisions of the first sentence of this Section 11.06).

If, and for so long as Tenant is conducting only the business specifically authorized herein, Landlord agrees that Tenant's business operations in the Premises shall not, in and of themselves, be grounds for requiring Tenant to pay its share of any increase in Landlord's insurance rates referred to above; provided such business activities are not hazardous or result in an undue accumulation of waste or trash within the Premises, or otherwise violate the terms of this Lease.

Section 11.07: LIMIT OF LANDLORD'S RESPONSIBILITY.

Unless due to the negligent act or omission of Landlord, its agents, contractors or employees, Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying space adjoining the Premises or any other part of the Shopping Center or Landlord's Building, or for any loss or damage resulting to the Tenant or its property from bursting, stoppage or leaking of water, gas, sewer or steam pipes or other utility lines or for any damage or loss of property within the Premises from any cause whatsoever. Such limitation of responsibility and liability shall not, however, apply to Landlord's willful acts, except to the extent such negligent or willful acts are waived or released by Tenant pursuant to Sections 11.03 or 11.04.

ARTICLE 12: DAMAGE OR DESTRUCTION

Section 12.01: LANDLORD'S DUTY TO RECONSTRUCT.

In the event the Landlord's Building is damaged or destroyed by any of the risks referred to in Section 11.02(a)(ii) against which Landlord is obligated to procure insurance, Landlord shall (subject to being able to obtain all necessary permits and approvals therefor, including without limitation permits and approvals required from any agency or body administering environmental laws, rules or regulations), within one hundred twenty (120) days after such damage or destruction (unless Landlord terminates this Lease pursuant to Section 12.03), commence to: (a) repair or reconstruct Landlord's Building and (b) repair or reconstruct the structural floor slab, demising wall studs (without drywall) and roof (or floor slab above) as the case may be of the Premises. Landlord shall prosecute all such work diligently to completion. In no event shall Landlord be liable for interruption to Tenant's business or for damage to or repair or reconstruction of any of those things which Tenant is required to insure pursuant to Section 11.01(a)(iii), nor shall Landlord be required to expend more for any repair or reconstruction pursuant to this Section than the net amount of insurance proceeds actually received by Landlord and allocable to the Premises on a square foot basis.

Section 12.02: TENANT'S DUTY TO RECONSTRUCT.

(a) If any item which Tenant is required to insure pursuant to Section 11.01(a)(iii) is damaged or destroyed by fire or other casualty, Tenant shall (subject to being able to obtain all necessary permits and approvals therefor, including without limitation permits and approvals required from any agency or body administering environmental laws, rules and regulations), within fifteen (15) days after Landlord has substantially repaired or reconstructed Landlord's Building and the portion of the Premises Landlord is obligated to repair or reconstruct pursuant to Section 12.01 (unless Landlord terminates this Lease pursuant to Section 12.03), commence to repair or reconstruct such damaged or destroyed items to at least substantially the same condition in which they were prior to such damage or destruction and prosecute the same diligently to completion.

(b) If (a) the Premises is damaged by casualty, in whole or in part, during the last three (3) years of the Term, or (b) if at any time during the Term the Premises are destroyed by casualty, in whole or in part and Landlord shall not begin repair thereof within six (6) months of the date of the casualty or, (c) if Landlord has not completed the repair of any casualty within one (1) year of the date of casualty, then Tenant shall have the right to terminate this Lease on thirty (30) days prior notice to Landlord.

Section 12.03: LANDLORD'S RIGHT TO TERMINATE.

(a) Landlord shall not exercise any right that it may have to terminate this Lease unless it simultaneously terminates the leases of all other tenants in the Shopping Center similarly affected with respect to any such casualty or condemnation, provided, Landlord shall have the option to terminate this Lease upon giving written notice to Tenant of the exercise thereof within one hundred twenty (120) days after the Landlord's Building is damaged or destroyed if:

- (i) the Premises are rendered wholly unfit for carrying on the Tenant's business after damage to or destruction thereof from any cause; or
- (ii) Landlord's Building is damaged or destroyed as a result of any flood, earthquake, act of war, nuclear reaction, nuclear radiation or radioactive contamination, or from any other risk not covered by insurance which Landlord is obligated to procure pursuant to Section 11.02(a)(ii); or
- (iii) any damage to or destruction of Landlord's Building occurs within the last three (3) Years of the Term or in any Partial Year at the end of the Term; or
- (iv) fifty percent (50%) or more of the GLA in the Landlord's Building immediately prior to the damage or destruction is rendered unfit for carrying on business therein; or
- (v) Landlord's Building is so substantially damaged that it is reasonably necessary, in Landlord's judgment, to demolish the same for the purpose of reconstruction.

(b) Unless so terminated, this Lease shall continue in full force and effect, and Landlord and Tenant shall perform their respective obligations under Section 12.01 and 12.02. Upon any termination of this Lease under any of the provisions of this Section 12.03, the Rent shall be adjusted as of the date of such termination and the parties shall be released from all liability hereunder upon the surrender of possession of the Premises to the Landlord, except for items which have been theretofore accrued and are then unpaid.

(c) If Landlord terminates this Lease in the event of a casualty or condemnation to the Shopping Center and the Premises has not been damaged by such casualty, Landlord shall reimburse Tenant for Tenant's unamortized cost of its leasehold improvements, such amortization to be computed assuming a useful life equal to the term of this Lease (including any option periods, if Tenant has exercised such option(s) and assuming a straight line method of depreciation.

Section 12.04: ABATEMENT OF RENT.

(a) If this Lease is not terminated pursuant to Section 12.02 or 12.03 after damage or destruction of the Landlord's Building, and if the Premises are rendered wholly or partially unfit for carrying on Tenant's business by such damage or destruction, then the Minimum Rent and the Additional Rent payable by Tenant under this Lease shall be abated, and the applicable Break Point and Partial Year Break Point (as the case may be) shall be reduced in direct proportion to the percentage of the GLA in the Premises which is rendered unfit for that period from the date the Premises are so rendered unfit until the earlier of ninety (90) days after Landlord re-delivers possession of the Premises to Tenant or the date Tenant reopens for business.

(b) If Toys 'R Us and/or Kids 'R Us or tenants occupying fifty percent (50%) or more of the remaining gross leasable area of Landlord's Building shall be damaged by casualty and shall close for business, Tenant shall have the right

to close and upon such closure all Minimum Rent, Percentage Rent, and Additional Rent shall be abated until the earlier to occur of the date Tenant shall reopen, or the date Toys 'R Us and Kids 'R Us and fifty percent (50%) or more of the remaining gross leasable area in Landlord's Building shall reopen.

ARTICLE 13: MAINTENANCE OF PREMISES

Section 13.01: LANDLORD'S DUTY TO MAINTAIN STRUCTURE.

Landlord will keep the roof, exterior face of service corridor walls, structural columns and structural floor or floors which enclose the Premises (excluding floor coverings, such as carpeting, terrazzo and other special flooring, walls installed at the request of Tenant, doors, windows and glass) and utility lines and systems located inside or outside the Premises which do not exclusively serve the Premises in good repair subject to the provisions of Article 8. Notwithstanding the foregoing provisions of this Section 13.01, Landlord shall not in any way be liable to Tenant unless Tenant shall have given Landlord written notice of the necessity for such repairs and Landlord fails to commence making such repairs within a reasonable period thereafter, and provided that any damage necessitating such repairs shall not have been caused by the omission, negligence or willful act of Tenant, its concessionaires, officers, employees, licensees or contractors or by the failure of Tenant to perform any of its obligations under this Lease (in either of which events Tenant shall be responsible therefor) or have been caused to any of the items Tenant is required to insure pursuant to Article 11. Landlord shall be under no liability for repair, maintenance, alteration, improvement, reconstruction, renewal or any other action with respect to the Premises or any part thereof, or any plumbing, electrical, heating, ventilating, air conditioning, or other mechanical installation therein, except as may be expressly set forth in this Lease. In making repairs, Landlord shall use reasonable efforts to prevent any interference with Tenant's use of the Premises. Landlord shall promptly restore any damage to any portion of the Premises resulting from any act or omission of Landlord, its agents, contractors or employees.

In the event Landlord defaults in the performance of any of its obligations under Section 13.01 and Tenant shall have given Landlord written notice specifying such default, if Landlord shall fail to cure such default within thirty (30) days of the date of such notice (or if the default so specified shall be of such a nature that the same cannot be reasonably cured or remedied within said thirty (30) day period, if Landlord shall not in good faith have commenced the curing or remedying of such default within such thirty (30) day period and shall not thereafter proceed therewith to completion) Tenant may cure such default on behalf of Landlord and Landlord shall reimburse Tenant for any sums paid or cost incurred in curing such default.

Section 13.02: TENANT'S DUTY TO MAINTAIN PREMISES.

Tenant will at all times, from and after delivery of possession of the Premises to Tenant, at its own cost and expense, maintain and make all needed repairs, and do all other work to or for the Premises and every part thereof to render the same in good and tenable condition. Tenant's obligation under this Section 13.02 shall include, but not be limited to, repairing, replacing and otherwise maintaining items as are required by any governmental agency having jurisdiction thereof (whether the same is ordinary or extraordinary, foreseen or unforeseen), non-structural walls (other than the exterior face of service corridor walls), ceilings, plate glass, utility meters, pipes and conduits outside the Premises which are installed by or demised to Tenant and which exclusively serve the Premises, all fixtures, heating, ventilating and air conditioning equipment installed by or demised to or used solely by Tenant, if any (whether such heating ventilating and air conditioning equipment is located inside the Premises, between the ceiling and the roof or on the roof of Landlord's Building), sprinkler equipment and other equipment within the Premises, the storefront or storefronts, all of Tenant's signs, security grilles or similar enclosures, locks and closing devices, and all window sash, casement or frames, doors and door frames; provided that Tenant shall make no adjustment, alteration or repair of any part of any sprinkler, life safety or other detection or suppression system in or serving the Premises without Landlord's prior approval. Tenant shall permit no waste, damage or injury to the Premises and Tenant shall initiate and carry out a program of regular repair and other maintenance of the Premises. Tenant will not overload the electrical wiring or other systems serving the Premises or within the Premises, and will install at its expense, but only after obtaining Landlord's written approval, any additional electrical wiring or other items which may be required in connection with Tenant's apparatus.

Section 13.03: RIGHT TO ACCESS TO THE PREMISES.

Landlord and its authorized representative may enter the Premises at any and all times upon reasonable notice during usual business hours for the purpose of inspecting the same (and at all other times in the case of emergency). Tenant further agrees that Landlord may from time to time go upon the Premises and make any additions, alterations, repairs or replacements and do other work to the Premises or to any utilities, systems or equipment located in, above or under the Premises which Landlord may deem necessary or desirable to comply with all governmental requirements and/or recommendations of an insurance rating bureau or of any similar public or private body or that Landlord may deem necessary or desirable to prevent waste or deterioration in connection with the Premises if the Tenant does not make or cause such additions, alterations, repairs or other work to be made or performed promptly after receipt of written demand from Landlord. Nothing herein contained shall imply any duty on the part of Landlord to do any such work which under any provision of this Lease that Tenant may be required to do, nor shall it constitute a waiver of Tenant's default in failing to do the same. In the event Landlord performs or causes any such work to be performed, Tenant shall pay the cost thereof to Landlord as Additional Rent upon demand therefor. In addition, Landlord may install, use, repair or replace any and all materials, tools and equipment, and pipes, ducts, conduits, columns, foundations, footings, wires and other mechanical equipment serving other portions, tenants and occupants of Landlord's Building in, through, under or above the Premises that Landlord deems desirable therefor, without the same constituting an actual or constructive eviction of Tenant. Landlord may also enter the Premises at all times during usual business hours upon reasonable notice for the purpose of showing the Premises to prospective purchasers, mortgagees and tenants. No exercise by Landlord of any rights provided in Section 13.01 or 13.03 shall entitle Tenant to any damage for any inconvenience, disturbance, loss of business or other damage to Tenant occasioned thereby nor to any abatement of Rent.

In the event Landlord enters the Premises to make any additions, alterations or repairs to the Premises or to any utility systems or equipment located in, above or under the Premises (other than Landlord's performance of Tenant's

obligations where Tenant fails so to do) and the Premises are rendered unfit for the conduct of Tenant's business during such work for a period in excess of three (3) full business days and Tenant is required to close for business, then Tenant's Minimum Rent shall abate from and after said three (3) business day period until such time as the Premises are again fit for the conduct of Tenant's business.

Section 13.04: CONFLICTS.

To the extent, if any, that there may be any conflict between this Article 13 and Article 12, or between this Article 13 and Article 22, Article 12, if applicable, or Article 22, if applicable, shall prevail.

ARTICLE 14: FIXTURES AND PERSONAL PROPERTY

Section 14.01: TENANT'S PROPERTY; REMOVAL.

Any trade fixtures, signs, counters, shelving, inventory, showcases, mirrors, and other personal property of Tenant not permanently affixed to the Premises shall remain the property of Tenant. Tenant shall have the right, provided Tenant is not in default under this Lease, at any time and from time to time during the Term, to remove any and all of its personal property which it may have stored or installed in the Premises. If Tenant is in default under this Lease beyond any applicable grace and cure periods, Landlord shall have the right to take exclusive possession of such property and to use such property without rent or charge, and Landlord, whether or not it takes possession of such property, shall have the benefit of any lien thereon permitted under the laws of the state in which Landlord's Building is located and, if such possession is taken or such lien is asserted by Landlord in any manner, including but not limited to operation of law, Tenant shall not remove or permit the removal of said trade fixtures, signs or other personal property until such possession is relinquished or the lien is removed, as the case may be. Nothing in this Article shall be deemed or construed to permit or allow Tenant to remove any of such personal property prior to the end of the Term without the immediate replacement thereof with similar personal property of comparable or better quality, or otherwise render the Premises unsuitable for the continued conduct of Tenant's permitted use thereof. Tenant at its expense shall immediately repair and otherwise make good any damage occasioned to the Premises or Shopping Center by reason of installation or removal of any such personal property unless such damage is caused by Landlord pursuant to Section 13.03 and if Tenant fails to remove such items from the Premises prior to such expiration or termination, or if this Lease is terminated by Landlord and Tenant fails to remove such items from the Premises prior to the effective date of such termination, then in any such event all such personal property shall thereupon become the property of Landlord, without further act by either party hereto, unless Landlord elects to require all or a portion of such items to be removed by Tenant in which case Tenant shall promptly remove the items designated by Landlord and restore the Premises to its prior condition at Tenant's expense.

Section 14.02: IMPROVEMENTS TO PREMISES.

All improvements made to the Premises by Tenant, including, but not limited to, the items furnished pursuant to Tenant's Work, alterations, changes and additions by Tenant, light fixtures, floor coverings and partitions, heating, ventilating and air-conditioning equipment, mechanical and plumbing equipment, but excluding trade fixtures, millwork and track lighting and signs and other personal property specified in Section 14.01, shall become the property of Landlord upon expiration or earlier termination of this Lease; provided, however, that Landlord may designate by written notice to Tenant, prior to Tenant's making such alterations, those alterations, changes, and additions made in the Premises after the Rent Commencement Date which shall be removed by Tenant at the expiration or termination of this Lease, in which event Tenant shall at Tenant's sole cost and expense promptly remove the same and repair and otherwise make good the damage to the Premises caused by such removal or by the installation of such alterations, changes or additions.

ARTICLE 15: ASSIGNMENT AND SUBLETTING

Section 15.01: PROHIBITED.

Tenant shall not permit anyone other than Tenant to occupy the Premises or any part thereof and shall not transfer, assign, sublet, enter into license or concession or other occupancy or use agreements or mortgage or hypothecate this Lease or the Tenant's interest in and to the Lease or the Premises or any part thereof (herein collectively referred to as "Transfer") without first obtaining in each and every instance the prior written consent of Landlord which Landlord may withhold in its sole discretion. Any attempted Transfer without such prior written consent shall be an Event of Default, shall not be binding upon Landlord, shall confer no rights upon any third person and shall not relieve Tenant of its obligations under this Lease. Any transfer by merger, consolidation, liquidation or otherwise by operation of law, including, but not limited to, an assignment for the benefit of creditors, as well as any transfer, assignment, or hypothecation of any stock or general partnership interest in Tenant so as to result in a change of the control thereof, shall be included in the term "Transfer" for the purposes of this Lease and shall be a violation of this Section 15.01 and an Event of Default, except as otherwise specifically set forth in this Article 15. Consent by Landlord to any Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. In the event of a permitted Transfer, Tenant agrees nevertheless to and shall remain fully liable for the full performance of each and every obligation under this Lease to be performed by Tenant and the assignee shall be deemed to have assumed and agreed to be bound by all of the terms of this Lease. In the event of any proposed Transfer requiring Landlord's consent, Tenant shall deliver to Landlord written notice (the "Request Notice") requesting Landlord's consent to the proposed Transfer at least thirty (30) days prior to the date on which, with Landlord's prior written consent, the Transfer would be effective. The Request Notice shall contain, without limitation, at least: (i) the full identification of the proposed transferee; (ii) the most recent financial statements and other evidence of the transferee's financial responsibility and business performance; (iii) the transferee's proposed specific use and business proposed to be conducted at the Premises; (iv) the scope of any proposed alterations to the storefront of and within the Premises; and (v) the monetary and non-monetary terms and conditions of the proposed Transfer. Landlord shall have the right and option (the "Take-back Option"), exercisable by Landlord giving Tenant written notice within thirty (30) days after Landlord's receipt of the Request Notice of reacquiring the

Premises or portion thereof which is the subject of the proposed Transfer and terminating this Lease with respect thereto. If Landlord elects not to exercise the Take-back Option and elects to give Landlord's written consent to the proposed Transfer, then Tenant shall pay to Landlord forthwith upon Tenant's receipt, as Additional Rent, all sums and other economic consideration (whether by lump sum payment or otherwise) received by Tenant in any month as a result of the Transfer whether denominated rentals or otherwise which exceed, in the aggregate, the total sums which Tenant is obligated to pay and does pay Landlord under this Lease in the same month (prorated to reflect obligations allocable to that portion of the Premises which is the subject of the Transfer), all without affecting or reducing any other obligation of Tenant hereunder provided, that in the case of an assignment of this Lease such Additional Rent payment by Tenant to Landlord shall equal the entire consideration for such assignment. If Landlord gives Landlord's written consent to the proposed Transfer and the Transfer is not made (including without limitation, delivery of possession by Tenant to and occupancy by the proposed transferee approved by Landlord) within thirty (30) days after the date Landlord gives its written consent to the proposed Transfer, then Landlord's written consent and the Transfer shall be automatically null, void and of no force or effect whatsoever. The Take-back Option shall not be exhausted by any one exercise thereof by Landlord but shall be exercisable from time to time and as often as there is a proposed Transfer. The Take-back Option may be exercised by any assignee of Landlord's right, title and interest in this Lease or any other person which at the time of the Request Notice is Landlord under this Lease. If after receipt of the Request Notice Landlord requests additional or further information which Landlord reasonably requires to consider the proposed Transfer, Tenant shall deliver such information to Landlord upon Landlord's request therefor and the period for Landlord to exercise the Take-back Option shall be extended by the number of days between Landlord's request for and Landlord's receipt of such additional or further information. Tenant shall pay to Landlord if Landlord's consent is required for a Transfer, the sum of Five Hundred (\$500.00) Dollars to defray Landlord's administrative costs, overhead and counsel fees in connection with the consideration, review and document preparation of any proposed assignment or subletting, such sum to be paid at the time Tenant delivers the assignment and assumption agreement executed by the assignee and assignor.

Landlord agrees not to unreasonably withhold its approval to Tenant's assignment of this Lease or subletting the entire Premises. In determining whether to consent to Tenant's proposed assignment or subletting the Landlord may consider all facts, which in Landlord's business judgment, are pertinent to such decision, and the parties agree that the following, without limitation, are examples of such factors, which, if any one or more are not satisfied in Landlord's reasonable judgement, would justify Landlord in not approving the Transfer:

- a. Whether the financial strength of the proposed assignee, as determined by a current audited financial statement prepared by a certified public accountant, shows a net worth and working capital in amounts determined by Landlord to be sufficient to assure the future performance by such assignee of its obligation under this Lease;
- b. The character, business reputation and managerial skills of the assignee or subtenant;
- c. Whether the assignee or subtenant, in centers of comparable size to the Shopping Center, has substantial retailing experience in the sale of merchandise permitted to be sold from the Premises as specified in the paragraph of the Fundamental Lease Provisions captioned "Use";
- d. Whether the quality of merchandise sold from the Premises after the assignment or sublease will be the same as prior thereto.
- e. The proposed Transferee is an existing tenant in Landlord's Building or is negotiating with Landlord (or has negotiated with Landlord in the last six (6) months) for space in Landlord's Building.

In addition to the foregoing, if Tenant, for the most recently concluded Year, has been obligated to pay Landlord Percentage Rent, then it shall be reasonable for Landlord to condition any such approval upon Tenant and any such assignee, entering into a modification of this Lease increasing, as of the effective date of such assignment and for the balance of the term of the Lease, the annual amount of the Minimum Rent otherwise payable by virtue of the provisions of this Lease (and each component thereof if such amount changes during the term of the Lease), by 100% of such most recently payable Percentage Rent.

In the event a dispute should arise between Landlord and Tenant as to whether Landlord has acted reasonably in failing to give its consent to any proposed assignment or sublease, Tenant's sole remedy shall be an action for a declaratory judgment on such issue and in no event shall Landlord be liable to Tenant for any damages (direct or consequential) allegedly suffered by Tenant or any such assignee or subtenant as a result of such failure to consent.

Notwithstanding anything to the contrary in the Lease, Tenant may assign the Lease or sublet the entire Premises without Landlord's prior approval, provided: (i) any assignee assumes in writing the performance and observance of all the terms, covenants and conditions of the Lease; (ii) any assignee or sublessee agrees in writing to continue to occupy the Leased Premises in accordance with all provisions of the Lease, including without limitation provisions regarding the use and operation of the Premises; (iii) a copy of the sublease or assignment and assumption agreement is delivered to Landlord; and (iv) the assignee or sublessee is and during the Term remains wholly-owned by Tenant's Guarantor or is a successor to Tenant's Guarantor by way of merger, consolidation or corporate reorganization, private placement or by the purchase of all assets or in connection with the simultaneous sale by Tenant's Guarantor of seventy five percent (75%) of all stores of a chain trading under the same trade name as Tenant.

It shall not be deemed an assignment of this Lease and Landlord's consent shall not be required (regardless of any resulting change of control of Tenant) in the event that Tenant or Tenant's Guarantor becomes a publicly traded company whose outstanding voting stock is listed on a "national securities exchange," as defined in the National Securities Exchange Act of 1934 or in the event of a private placement or sale of stock of Tenant or Tenant's Guarantor.

Landlord's consent shall not be required in the event of any sale, issuance or transfer of capital stock in Tenant, and simultaneously Tenant's Guarantor, to any family members, or trust(s) for the benefit of such family members of Joseph Sitt.

Tenant may permit up to fifteen percent (15%) of the GLA of the Premises to be occupied by concessionaires without Landlord's consent provided the sales of such concessionaires are included in Gross Sales. Any rent received from such concessionaires however, shall not be included in Gross Sales.

ARTICLE 16: DEFAULTS BY TENANT

Section 16.01: EVENTS OF DEFAULT.

This Lease is made upon the condition that Tenant shall punctually and faithfully perform and fulfill all of the covenants, conditions and agreements by it to be performed as in this Lease set forth. In addition to events elsewhere stated in this Lease as Events of Default, the following shall be deemed to be an Event of Default (each of which is sometimes referred to as an "Event of Default" in this Lease):

- (a) the failure by the Tenant to pay Minimum Rent and/or Percentage Rent and/or Additional Rent or any installment or year-end adjustment thereof if such failure continues for ten (10) days after written notice thereof by Landlord to Tenant; or
- (b) the failure of Tenant to submit its Design Drawings on or before the Design Drawings Submission Date in accordance with Section 2.03(c) or commence Tenant's Work on or before the Construction Commencement Date in accordance with the terms and conditions of Section 2.03(c); or
- (c) the failure of Tenant to open its business to the public in the Premises on or prior to the date on which Tenant is required to open its business to the public pursuant to the terms and conditions of Section 2.04, or the failure to open the Premises, or to keep the Premises open, on the days and hours required by this Lease, or if Tenant vacates or abandons the Premises; or
- (d) the failure of Tenant to observe or perform any of the covenants, terms or conditions set forth in Article 15 (relating to assignment and subletting); or
- (e) Deleted;
- (f) the sale or removal of a substantial portion of Tenant's property located in the Premises in a manner which is outside the ordinary course of Tenant's business; or
- (g) the failure to maintain inventory levels and employee staff in accordance with the provisions of Article 7 hereof, or
- (h) Deleted
- (i) Deleted
- (j) any other failure of Tenant to observe or perform any of the other covenants, terms or conditions set forth in this Lease where said failure continues for a period of thirty (30) days after written notice thereof from Landlord to Tenant (unless such failure cannot reasonably be cured within thirty (30) days and Tenant shall have commenced to cure said failure within thirty (30) days and continues diligently to pursue the curing of the same until completed); or
- (k) the commencement of levy, execution, or attachment proceedings against Tenant or Guarantor (hereafter defined) or a substantial portion of Tenant's or Guarantor's assets; the commencement of levy, execution, attachment or other process of law upon, on or against the estate created in Tenant hereby; the application for or the appointment of a liquidator, receiver, custodian, sequestrator, conservator, trustee, or other similar judicial officer for Tenant or Guarantor or for all or any substantial part of the property of Tenant or Guarantor (and such appointment continues for a period of thirty (30) days); the insolvency of Tenant or Guarantor of Tenant in bankruptcy or equity sense; any assignment by Tenant or Guarantor for the benefit of creditors; or
- (l) the commencement of a case by or against Tenant or Guarantor, under any insolvency, bankruptcy, creditor adjustment or debtor rehabilitation laws, state or federal; or the determination by the Tenant or Guarantor to request relief under any insolvency proceeding, including any insolvency, bankruptcy, creditor adjustment or debtor rehabilitation laws, state or federal, and in no event shall the Premises or Tenant's interest in this Lease become an asset in any such proceedings.

Section 16.02: LANDLORD'S REMEDIES.

(a) Landlord may treat any Event of Default as a material breach of this Lease. Landlord's failure to insist upon strict performance of any covenant, term or condition of this Lease or to exercise any right or remedy it has herein shall not be deemed a waiver or relinquishment for the future of such performance, right or remedy. In addition to any and all other rights or remedies of Landlord in this Lease or at law or in equity provided, Landlord shall have the following rights and remedies if there shall occur any Event of Default none of which shall be construed as all election to forego any of the other remedies then or in the future:

(i) Deleted
 (ii) to terminate this Lease, and to re-enter the Premises and take possession thereof and to remove all persons and contents therefrom, and Tenant shall have no further claim or right hereunder; and/or
 (iii) to bring suit for the collection of Rent and for damages without entering into possession of the Premises or terminating this Lease; and/or
 (iv) to terminate Tenant's right of possession of the Premises by summary proceedings or otherwise, without terminating this Lease. In the event of any re-entry and termination of possession, Landlord shall have the right but not the obligation to remove any personal property from the Premises and either treat such property as abandoned, or at Landlord's option, place the same in storage at a public warehouse at the sole cost, expense and risk of the Tenant, and/or
 (v) to enter the Premises and without further demand or notice proceed to distress and sale of the goods, chattels, personal property and other contents there found and to levy the Rent, and Tenant shall pay all costs and officers' commissions, including watchmen's wages and sums chargeable by Landlord, and further including charges which Landlord may impose by statute as commissions to the constable or other person making the levy, and in such cases all costs, officers' commissions and other charges shall immediately attach and become part of the claim of Landlord for Rent, and any tender of Rent without said costs, commissions and charges made, after the issuance of a warrant of distress, shall not be sufficient to satisfy the claim of Landlord; and/or

(b) Deleted

(c) Deleted

(d) Deleted

(e) Deleted

(f) Notwithstanding anything set forth in Section 16.02(a) to the contrary, Landlord shall be obligated to make a good faith effort to relet the Premises at a Minimum Rent, Additional Rent, and other charges consistent with the prevailing economic conditions to a tenant which is acceptable to Landlord based upon the following criteria: (a) the proposed tenant shall have a net worth equal to or greater than the net worth of Tenant on the date hereof, (b) the proposed tenant will be obligated to use the Premises for either the same use as Tenant or other use which in Landlord's reasonable judgment is in accordance with a proper mix of uses for the Shopping Center and (c) the proposed tenant shall agree to enter into a lease agreement with Landlord which contains terms, covenants and conditions at least as favorable to Landlord as those set forth in this Lease. However, Landlord shall not be required to lease the Premises in preference to any other then vacant space in the Shopping Center.

Section 16.03: DAMAGES.

(a) If Landlord elects to terminate Tenant's right to possession under this Lease, but not to terminate this Lease, Landlord may relet the Premises (or any part thereof) for the account of Tenant at such rentals and upon such terms and conditions as Landlord shall deem appropriate (which may be less than or exceed the balance of the Term), and to the extent Landlord receives the Rent therefor, Landlord shall apply the same first to the payment of such expenses as Landlord may have incurred in recovering possession of the Premises (including, without limitation, legal expenses and attorneys' fees) and for putting the Premises into good order and condition and repairing or remodeling or altering the same for reletting, and any other expenses, commissions and charges paid, assumed or incurred by or on behalf of Landlord in connection with the reletting of the Premises (collectively the "Costs of Reletting"), and then to the fulfillment of the covenants of Tenant under this Lease. Tenant shall pay to Landlord the Rent up to the time of such termination of Tenant's right to possession under this Lease, and thereafter, Tenant covenants to pay Landlord until the end of the Term of this Lease the equivalent of the amount of Rent under this Lease less the net avails of such reletting, if any, during the same period, and the same shall be due and payable by Tenant to Landlord on the dates such Rent is due under this Lease. Any reletting by Landlord shall not be construed as an election on the part of the Landlord to terminate this Lease unless a notice of such intention is given by Landlord to Tenant. Notwithstanding any reletting without termination of this Lease, Landlord may at any time thereafter elect to terminate this Lease. In any event, Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished by reason of any failure by Landlord to relet the Premises or any failure by Landlord to collect any sums due upon such reletting. Tenant shall not be entitled to any Rent received Landlord in excess of Rent provided for in this Lease. Landlord may file suit to recover any sums falling due under the terms of this subsection from time to time, and no suit or recovery of any portion due Landlord hereunder shall be a defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord.

(b) If Landlord elects to terminate this Lease instead of terminating only Tenant's right to possession, Landlord shall have the right to immediately recover against Tenant as damages for loss of the bargain, and not as a penalty, the excess (if any), as determined by Landlord, of (i) the present value of the projected Rent payable by Tenant under this Lease (as determined by Landlord on the basis of the amounts of Additional Rent which would have been payable pursuant to this Lease for the full calendar year prior to the calendar year in which the default occurred, increasing annually on the first of each year after such calendar year at the rate of six percent (6%) per annum compounded) that would have accrued for the balance of the Term plus any other amount necessary to compensate Landlord for all detriments proximately caused by Tenant's failure to perform its obligations under this Lease, including reasonable attorney's fees and interest on all sums due Landlord at the Default Rate (hereafter defined), less (ii) the then present fair market rental value of the Premises for the balance of the Term as reasonably determined by Landlord, taking into account among other things, the condition of the Premises, market conditions and the period of time the Premises may remain vacant before Landlord is able to relet the same to a suitable replacement tenant, and the Costs of Reletting (as defined above) that Landlord may incur in order to enter into a replacement lease ("Benefit of the Bargain Damages"). Notwithstanding anything to the contrary contained in this Lease, if, subsequent to the termination of this Lease and the recovery of damages from Tenant pursuant to this subsection (b), Landlord relets the Premises for an effective Rent higher or lower than the Rent assumed for purposes of calculating the Benefit of the Bargain Damages, the Benefit of the Bargain Damages shall not be recalculated and Landlord shall be entitled to retain all of the proceeds of such reletting.

(c) The "Default Rate" means the rate of interest which is two percent (2%) over the announced prime rate of PNC Bank, Philadelphia, Pennsylvania or any successor thereto or other bank selected by Landlord.

Section 16.04: LANDLORD'S SELF-HELP.

In addition to Landlord's rights to self-help set forth elsewhere in this Lease, if Tenant at any time fails to perform any of its obligations under this Lease in a manner reasonably satisfactory to Landlord, Landlord shall have the right, but not the obligation, upon giving Tenant at least thirty (30) days prior written notice of its election to do so (in the event of any emergency no prior notice shall be required) to perform such obligations on behalf of and for the account of Tenant and to take all such action to perform such obligations. In such event, Landlord's costs and expenses incurred therein shall be paid for by Tenant as Additional Rent, forthwith, upon demand therefor, with interest thereon from the date Landlord performs such work at the Default Rate. The performance by Landlord of any such obligation shall not constitute a release or waiver of Tenant therefrom.

Section 16.05: LEGAL EXPENSES.

In the event that Landlord or Tenant should retain counsel and/or institute any suit against the other for violation of or to enforce any of the covenants or conditions of this Lease, or should either party institute any action against the other for violation of any covenants or conditions of this Lease, or should either party institute a suit against the other for a declaration of rights hereunder, or should either party intervene in any suit in which the other is a party, to enforce or protect its interests or rights hereunder, the prevailing party in any such suit shall be entitled to all its costs, expenses and reasonable fees to its attorney(s) in connection therewith.

ARTICLE 17: LIABILITY OF LANDLORD

Section 17.01: LANDLORD'S DEFAULT.

Except as otherwise provided in this lease, Landlord shall be in default under this Lease if Landlord fails to perform any of its obligations hereunder and said failure continues for a period of thirty (30) days after written notice thereof from Tenant to Landlord (unless such failure cannot reasonably be cured within thirty (30) days and Landlord shall have commenced to cure said failure within said thirty (30) days and continues diligently to pursue the curing of the same). If Landlord shall be in default under this Lease and, if, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Shopping Center as the same may then be encumbered and Landlord shall not be liable for any deficiency. In no event shall Tenant have the right to levy execution against any property of Landlord other than Landlord's right, title and interest in the Shopping Center as hereinbefore expressly provided. No default by Landlord under this Lease shall give Tenant the right to terminate this Lease.

Section 17.02: TRANSFER OF LANDLORD'S INTEREST.

In the event of the sale or other transfer of Landlord's right, title and interest in the Premises or the Shopping Center (except in the case of a sale-leaseback financing transaction in which Landlord is the lessee), Landlord shall transfer and assign to such purchaser or transferee any portion of the Security Deposit which may then be held by Landlord pursuant to Section 2.02 of this Lease, and Landlord thereupon and without further act by either party hereto shall be released from all liability and obligations hereunder derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale or transfer. Tenant shall have no right to terminate this Lease nor to abate Rent nor to deduct from nor set-off nor counterclaim against Rent because of any sale or transfer (including without limitation any sale-leaseback) by Landlord or its grantees, successors or assigns. Neither Landlord's mortgagee (or its designee) nor the purchaser at a foreclosure sale shall be liable to Tenant for the return of Tenant's Security Deposit unless and until Landlord actually delivers the Security Deposit to such mortgagee or purchaser or their designee.

ARTICLE 18: SUBORDINATION AND ATTORNMEN

Section 18.01: SUBORDINATION OF LEASE.

Tenant agrees that, except as hereinafter provided, this Lease is, and shall always be, subject and subordinate to any lease wherein Landlord is the lessee and to the lien of any or all mortgages or deeds of trust, regardless of whether such lease, mortgages or deeds of trust now exist or may hereafter be created with regard to all or any part of the Shopping Center, and to any and all advances to be made thereunder, and to the interest thereon, and all modifications, consolidations, renewals, replacements and extensions thereof. Such subordination shall be effective without the execution of any further instrument. Tenant also agrees that any lessor, mortgagee or trustee may elect to have this Lease prior to any lease or lien of its mortgage or deed of trust, and in the event of such election and upon notification by such lessor, mortgagee or trustee to Tenant to that effect, this Lease shall be deemed prior in lien to the said lease, mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said lease, mortgage or deed of trust.

The subordination referred to above shall be conditioned upon any such mortgagee, or other party holding an interest or estate affecting the Premises and/or the Shopping Center to which this Lease is subordinated or may hereafter be subordinated, agreeing with Tenant that in the exercise of these rights, if so long as Tenant is not in default hereunder, it will not deprive Tenant of its possession of the Premises.

Section 18.02: TENANT'S ATTORNMENT.

In the event of any foreclosure of, or the exercise of a power of sale under, any mortgage or deed of trust referred to in Section 18.01 covering the Premises or in the event of the termination of any lease referred to in Section 18.01 wherein Landlord is the lessee, Tenant, upon the purchaser or lessor's request, shall attorn to and recognize the purchaser or Landlord's lessor as Landlord under this Lease.

Tenant's attornment shall be subject to the purchaser or assignee recognizing the validity and continuance of this Lease and agreeing not to disturb Tenant's possession of its Premises under the terms of this Lease so long as Tenant shall not be in default (subject to Tenant's right to cure any default in accordance with the provisions of this Lease).

Section 18.03: INSTRUMENTS TO CARRY OUT INTENT.

Tenant agrees that, upon the request of Landlord, or any such lessor, mortgagee or trustee, Tenant shall execute and deliver whatever instruments may be required for such purposes and to carry out the intent of this Article 18, and in the event Tenant fails to do so within thirty (30) days after demand in writing, Tenant shall be deemed to have committed an Event of Default.

ARTICLE 19: ESTOPPEL CERTIFICATES

Section 19.01: TENANT'S AGREEMENT TO DELIVER.

From time to time within thirty (30) days after request in writing therefor from Landlord, Tenant agrees to execute and deliver to Landlord, or to such other addressee or addressees as Landlord may designate (and Landlord and any such addressee may rely thereon), a statement in writing in form and substance satisfactory to Landlord (herein called "Tenant's Estoppel Certificate"), certifying as to such matters as may be reasonably requested by Landlord. Tenant expressly agrees that Landlord may assign its interest in the Tenant's Estoppel Certificate to its lender(s) at any time who may act in material reliance thereon.

Section 19.02: FAILURE OF TENANT TO PROVIDE.

In the event that Tenant fails to provide a Tenant's Estoppel Certificate within thirty (30) days after Landlord's written request therefor, Tenant shall be deemed to have committed an Event of Default.

ARTICLE 20: QUIET ENJOYMENT

Section 20.01: FAITHFUL PERFORMANCE.

Upon payment by the Tenant of the Rent herein provided for, and upon the observance and performance of all of the agreements, covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord, subject, nevertheless, to the terms and conditions of this Lease, and mortgages, leases and other matters to which this Lease is subject or subordinate.

ARTICLE 21: SURRENDER AND HOLDING OVER

Section 21.01: DELIVERY AFTER TERM.

Tenant shall deliver up and surrender to Landlord possession of the Premises upon the expiration or earlier termination of the Term, broom clean, free of debris, in good order, condition and state of repair and in compliance with Section 14.01 (excepting as may be Landlord's obligation under this Lease and ordinary wear and tear), and shall deliver the keys to the management office of Landlord or to such other place as may be designated from time to time by notice from Landlord to Tenant. If not sooner terminated as herein provided, this Lease shall terminate at the end of the Term as provided for in Article 3 without the necessity of notice from either Landlord or Tenant to terminate the same.

Section 21.02: EFFECT OF HOLDING OVER; RENT.

If Tenant or any party claiming under Tenant remains in possession of the Premises or any part thereof, after any expiration or termination of this Lease, no tenancy or interest in the Premises shall result therefrom but such holding over shall be an unlawful detainer and all such parties shall be subject to immediate ouster and removal, and (a) Tenant shall pay upon demand to Landlord for any period when Tenant shall hold the Premises after the Term has terminated or expired, as liquidated rent for such period, a sum equal to all Percentage Rent and Additional Rent provided for in this Lease plus an amount computed at the rate of one and one-half (1½) times the Minimum Rent for such period, and (b) Tenant shall indemnify and hold harmless Landlord from all loss, cost, expense and liability whatsoever resulting from such holding over, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant based on such holding over.

ARTICLE 22: CONDEMNATION

Section 22.01: ALL OF PREMISES TAKEN.

If the whole of the Premises 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 or by agreement or conveyance in lieu thereof (each being hereinafter referred to as "Condemnation"), this Lease shall terminate as of the day possession shall be taken by such authority, and Tenant shall pay Rent and perform all of its other obligations under this Lease up to that date with a proportionate refund by Landlord of any Rent as shall have been paid in advance for a period subsequent to the date of the taking of possession.

Section 22.02: LESS THAN ALL OF PREMISES TAKEN.

If less than all but more than twenty-five percent (25%) of the GLA in the Premises is taken by Condemnation, or if (regardless of the percentage of the GLA in the Premises which is taken) the remainder of the Premises cannot be used for the carrying on of Tenant's business, then in either event Landlord or Tenant shall each have the right to terminate this Lease upon notice in writing to the other party within ninety (90) days after possession is taken by such Condemnation. If this Lease is so terminated, it shall terminate as of the day possession shall be taken by such authority, and Tenant shall pay Rent and perform all of its obligations under this Lease up to that date with a proportionate refund by Landlord of any Rent as may have been paid in advance for a period subsequent to the date of the taking of possession. If this Lease is not so terminated, it shall terminate only with respect to the parts of the Premises so taken as of the day of possession shall be taken by such authority, and Tenant shall pay Rent up to that day with a proportionate refund by Landlord of any Rent as may have been paid for a period subsequent to the date of such taking and, thereafter, the Rent and the applicable Break Point shall be reduced in direct proportion to the amount of GLA of the Premises taken and Landlord agrees, at Landlord's cost and expense, as soon as reasonably possible to restore the Premises on the land remaining to a complete unit of similar quality and character as existed prior to such appropriation or taking (to the extent feasible); provided that Landlord shall not be required to expend more on such restoration than an amount equal to the condemnation award received by Landlord (less all expenses, costs, legal fees and court costs incurred by Landlord in connection with such award).

Section 22.03: SHOPPING CENTER TAKEN.

If any part of the Shopping Center is taken by Condemnation so as to render, in Landlord's judgment, the remainder unsuitable for use as an enclosed mall shopping center, Landlord shall have the right to terminate this Lease upon notice in writing to Tenant within one hundred twenty (120) days after possession is taken by such Condemnation. If Landlord so terminates this Lease, it shall terminate as of the day possession is taken by the condemning authority, and Tenant shall pay Rent and perform all of its other obligations under this Lease up to that date with a proportionate refund by Landlord of any Rent as may have been paid in advance for a period subsequent to such possession.

Section 22.04: OWNERSHIP OF AWARD.

As between Landlord and Tenant, all damages for any Condemnation of all or any part of Shopping Center, including, without limitation, all damages as compensation for diminution in value of the leasehold, reversion and fee, and Tenant's leasehold improvements, shall belong to the Landlord without any deduction therefrom for any present or future estate of Tenant, and Tenant hereby assigns to Landlord all its right, title and interest to any such award. Although all damages in the event of any Condemnation are to belong to the Landlord, whether such damages are awarded as compensation for diminution in value of the leasehold, reversion or fee of the Premises, or Tenant's leasehold improvements, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right for or on account of any cost or expense which Tenant might incur in removing Tenant's merchandise, furniture and fixtures, provided such compensation does not in any way diminish the compensation otherwise available to Landlord.

ARTICLE 23: MISCELLANEOUS

Section 23.01: INTERPRETATION.

(a) The captions, table of contents and index of defined terms appearing in this Lease are inserted only as a matter of convenience and in no way amplify, define, limit, construe, or describe the scope or intent of such Sections of this Lease nor in any way affect this Lease.

(b) If more than one person or corporation is named as Landlord or Tenant in this Lease and executes the same as such, or becomes Landlord or Tenant, then and in such event, the words "Landlord" or "Tenant" wherever used in this Lease are intended to refer to all such persons or corporations, and the liability of such persons or corporations for compliance with and performance of all the terms, covenants and provisions of this Lease shall be joint and several.

(c) The neuter, feminine or masculine pronoun when used herein shall each include each of the other genders and the use of the singular shall include the plural.

(d) The parties hereto agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate provision hereof. Furthermore, each covenant, agreement, obligation and other provision contained in this Lease is, and shall be deemed and construed as a separate and independent covenant of the party bound by, undertaking or make the same, and not dependent on any other provision of this Lease unless expressly so provided.

(e) Although the provisions of this Lease were drawn by Landlord, this Lease shall not be construed for or against

Landlord or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

Section 23.02: RELATIONSHIP OF PARTIES.

Nothing herein contained shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Percentage Rent, nor any other provision contained herein, nor any acts of the parties herein, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant nor cause Landlord to be responsible in any way for acts, debts or obligations of Tenant.

Section 23.03: NOTICES.

Any notice, demand, request, approval, consent or other instrument which may be or is required to be given under this Lease shall be in writing, and, shall be deemed to have been given (a) when mailed by United States registered or certified mail, return receipt requested, postage prepaid and received or refused by the addressee, or (b) when sent by courier guaranteeing overnight delivery, addressed to Landlord or Tenant at the respective addresses set forth in the Fundamental Lease Provisions and/or such other address or addresses as either party may designate by notice to the other in accordance with this Section and received or refused by the addressee. Any notice by the Landlord may be given on its behalf by Agent or by an attorney for Landlord or Agent.

Section 23.04: SUCCESSORS.

This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon (subject to Article 17) Landlord, its successors and assigns, and shall be binding upon Tenant, its heirs, successors and assigns and shall inure to the benefit of Tenant and only such assigns of Tenant to whom the assignment by Tenant has been consented to by Landlord in writing. Nothing in this Section 23.04 shall be deemed to require Landlord to give any such consent. All of Tenant's obligations during the Term pursuant to Section 4.05, 4.06, 4.07, 5.01, 5.02, 7.03, 8.03, 11.03 and 23.17 shall survive the expiration or earlier termination of this Lease.

Section 23.05: BROKER'S COMMISSION.

Each of the parties represents and warrants to the other that neither has had any dealings, negotiations, or consultation with respect to the Premises, the Shopping Center or this transaction with any real estate broker or finder, no broker or finder called the Premises or any other space in the Shopping Center to Tenant's attention for lease. If either party is in breach of the aforesaid representation and warranty, the defaulting party shall be responsible for and will defend, indemnify and save the other harmless from and against all costs, fees (including without limitation attorney's fees), expenses, liabilities, and claims incurred or suffered by the non-defaulting party as a result thereof.

Section 23.06: UNAVOIDABLE DELAYS.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, inability to procure labor or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, fire or other casualty or other reason of a similar or dissimilar nature beyond the reasonable control of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act, but not Tenant's obligation to pay Rent, shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. During Tenant's Construction Period the provisions of this Section 23.06 shall not operate to excuse Tenant from completing construction of the Premises within Tenant's Construction Period unless Tenant gives written notice of the delaying event to Landlord within ten (10) business days of the occurrence of such delaying event. Such written notice shall specify the nature of the delaying event and the number of days of delay claimed to result therefrom. Tenant's Construction Period shall be extended for a period equivalent to the period of actual delay. After the Rent Commencement Date the provisions of this Section 23.06 shall not excuse Tenant from the prompt payment of Rent and all other sums due by Tenant under this Lease and such delay shall not extend the Term. Delays or failures to perform resulting from lack of funds or the unavailability of a particular contractor or personnel shall not be deemed delays beyond the reasonable control of a party.

Section 23.07: SEVERABILITY.

It is the intention of the parties hereto that if any provision of this Lease is capable of two constructions, one of which would render the provision invalid and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid. If any term or provision, or any portion thereof, 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, or the application of such term or provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 23.08: TIME OF ESSENCE.

Time is of the essence with respect to the performance of the respective obligations of Landlord and Tenant set forth in this Lease.

Section 23.09: OTHER TENANTS/SUBSTITUTE PREMISES.

(a) Landlord reserves the absolute right to effect such other tenancies in the Shopping Center as Landlord shall determine in the exercise of its sole business judgment. Tenant hereby acknowledges that (i) this Lease contains no restrictive covenants or exclusives in favor of Tenant; (ii) this Lease shall not be deemed or interpreted to contain, by implication or

otherwise, any warranty, representation or agreement on the part of Landlord that any department store or regional or national chain store or any other merchant shall open for business or occupy or continue to occupy any premises in or adjoining the Shopping Center during the Term or any part thereof or that Tenant shall generate a certain amount of Gross Sales or that any reimbursable amount payable by Tenant shall be any specific amount, and Tenant hereby expressly waives all claims with respect thereto and acknowledges that Tenant is not relying on any such warranty, representation or agreement by Landlord either as a matter of inducement in entering into this Lease or as condition of this Lease or as a covenant by Landlord.

(b) During the Term or any extensions or renewals thereof, Landlord may, on one occasion, upon at least sixty (60) days' prior written notice ("**Landlord's Notice**"), require Tenant to relocate from the Premises to another retail space designated by Landlord ("**Relocated Premises**"), which shall contain approximately the same GLA and frontage as the Premises, in order to permit Landlord to: (i) consolidate the Premises with other adjoining space leased or to be leased to another actual or prospective tenant in Landlord's Building, and/or (ii) recapture the Premises in connection with any re-merchandising, reconfiguration and/or expansion of Landlord's Building or the Shopping Center, Tenant shall only be required to relocate if the Premises are located in the area where such consolidation, re-merchandising, reconfiguration or expansion will occur. Landlord's Notice shall specify the location of the Relocated Premises which location shall have a store front width approximately the same as that of the Premises and shall have a location in a **main mall**. Landlord's Notice will also specify the date by which Landlord will require such relocation to occur. If Landlord sends Landlord's Notice, Tenant may, within fifteen (15) days from the date of Landlord's Notice, send a written notice ("**Tenant's Notice**") to Landlord electing not to relocate to the Relocated Premises and in lieu thereof terminating the Lease as of the day specified in Landlord's Notice for the completion of such relocation by Tenant, in which event this Lease will expire and terminate on such date as though the date set forth in Landlord's Notice was fixed as the expiration date hereof. Within thirty (30) days after Tenant vacates the Premises and has certified to Landlord the unamortized cost of Tenant's permanent leasehold improvements in the Premises which were paid for by Tenant (exclusive of any tenant allowance or free rent granted by Landlord), Landlord shall pay such amount to Tenant. If Tenant fails to deliver Tenant's Notice within fifteen (15) days after the date of Landlord's Notice, Tenant shall be obligated to relocate in accordance with Landlord's Notice and commence doing business in the Relocated Premises not later than thirty (30) days after Landlord delivers possession of the same to Tenant. Landlord shall remodel and ready the Relocated Premises for Tenant's use and occupancy so that, when such work has been completed, the Relocated Premises shall contain the same level of finish as the Premises and in doing such work, Landlord may, to the maximum extent possible, utilize Tenant's existing furniture, existing trade fixtures and existing equipment and move the same from the Premises to the Relocated Premises ("**Landlord's Work**"). Further, Landlord shall physically move Tenant's inventory, furniture, fixtures, and if applicable, security systems, fire protection devices, cash registers and all other items located in the Premises to the Relocated Premises. Tenant shall cooperate with Landlord in expediting such relocation in any manner requested by Landlord. Tenant shall have the right to remain in and continue to use the Premises until Tenant's furniture, trade fixtures, equipment and inventory are to be relocated. Tenant's Rent shall abate during any period in which Tenant is closed for business in order to effectuate such relocation. Landlord shall give Tenant ten (10) days prior notice of the date Landlord has substantially completed Landlord's work. Tenant shall inspect the Relocated Premises during such ten (10) day period and shall notify Landlord of any deficiencies in Landlord's work within such ten (10) day period and Landlord shall thereafter promptly correct such deficiencies. If such deficiencies are material, Tenant shall not be obligated to accept delivery of the New Premises until such deficiencies have been cured. If such deficiencies are not material, Tenant shall accept delivery of the Relocated Premises (the "**Acceptance Date**") and Landlord shall promptly cure all such deficiencies without materially interfering with Tenant's business operations in the Relocated Premises. Tenant shall have thirty (30) days from the Acceptance Date to open for business with the public in the Relocated Premises. Landlord agrees that it shall not relocate Tenant during the period November 1 through December 31, March 1 through April 30 or August 1 through September 30 in any year. Commencing as of the date the Relocated Premises are delivered to Tenant with Tenant's furniture, trade fixtures, equipment and inventory therein, all of Tenant's right, title and interest in and to the Premises shall cease and terminate and from and after such date, the Relocated Premises shall be deemed demised hereunder in lieu of the Premises. Occupancy of the Relocated Premises shall be under and pursuant to the terms of this Lease, except that the Minimum Rent and Break Point shall automatically be amended to bear the same relationship to the Minimum Rent and the Break Point presently set forth in the Lease as the GLA of the Relocated Premises bears to the GLA of the Premises. At the request of Landlord, the parties shall enter into an amendment of this Lease which shall confirm the GLA, new Minimum Rent and new Break Point of the Relocated Premises.

(c) Notwithstanding anything contained in Subsection 23.09(b), if at the time Landlord requires Tenant to relocate there are three (3) years or less remaining in the Term, Landlord may terminate this Lease as of a date selected by Landlord which date shall not be less than sixty (60) days after the date of written notice to Tenant, in lieu of relocating Tenant at Landlord's expense. Within thirty (30) days after Tenant vacates the Premises and has certified to Landlord the unamortized cost of Tenant's permanent leasehold improvements in the Premises which were paid for by Tenant (exclusive of any tenant allowance or free rent granted by Landlord), Landlord shall pay such amount to Tenant. Tenant may supersede such termination by notifying Landlord within ten (10) days after receipt of Landlord's notice of termination that Tenant will close the Premises and surrender possession thereof to Landlord on a date specified by Landlord and will relocate to a location designated by Landlord at Tenant's sole cost and expense and in a time frame and manner acceptable to Landlord and within ten (10) days after Landlord's receipt of such notice the parties shall execute an agreement so providing. If such agreement is not timely executed, this Lease shall terminate on the date specified in Landlord's original notice to Tenant.

Section 23.10: APPLICABLE LAW.

The laws of the state in which Landlord's Building is located shall govern the validity, performance and enforcement of this Lease. If either party institutes legal suit or action for enforcement of any obligation contained herein, it is agreed that venue for such suit or action shall be in the state in which the Premises are located.

Landlord hereby waives any security interest it may have in any of Tenant's property located at the Premises that is created either by (i) statute in the state in which the Premises are located or (ii) pursuant to any other provision contained within this Lease.

Section 23.11: WAIVER.

(a) The waiver by Landlord of any term, covenant, agreement or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other terms, covenant, agreement or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, agreement or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No covenant, term, agreement or condition of this Lease shall be deemed to have been waived by Landlord, unless such waiver be in writing and executed by Landlord.

(b) No waiver of any covenant, term, agreement or condition of this Lease or legal right or remedy shall be implied by the failure of Landlord to declare a forfeiture, or for any other reason. No waiver by Landlord in respect to one or more tenants or occupants of Landlord's Building or any other part of the Shopping Center shall constitute a waiver in favor of any other tenant. Landlord's consent to, or approval of, any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant. No consent or approval by Landlord shall operate to change any condition, requirement or other provision of this Lease on any occasion unless made in writing and executed by a general partner (or executive officer) of Landlord.

Section 23.12: ACCORD AND SATISFACTION.

No payment by Tenant or receipt by Landlord 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 any letter accompanying any such check or payment as Rent or the like be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's rights and remedies to recover the balance of such Rent or pursue any other right and remedy provided for in this Lease or available at law or in equity. If Landlord shall direct Tenant to pay Rent to a "lockbox" or other depository whereby checks issued in payment of Rent are initially cashed or deposited by a person or entity other than Landlord (albeit on Landlord's authority) then, for any and all purposes under this Lease: (a) Landlord shall not be deemed to have accepted such payment until ten (10) days after the date on which Landlord shall have actually received such funds, (b) Landlord shall be deemed to have accepted such payment if (and only if) within said ten (10) day period, Landlord shall not have refunded (or attempted to refund) such payment to Tenant and (c) Landlord shall not be bound by any endorsement or statement on any check or any letter accompanying any check or payment and no such endorsement, statement or letter shall be deemed an accord and satisfaction. Landlord or Landlord's bank may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease, at law or in equity. Nothing contained in the immediately preceding sentence shall be construed to place Tenant in default of Tenant's obligation to pay Rent if and for so long as Tenant shall timely pay the Rent required pursuant to this Lease in the manner designated by Landlord.

Section 23.13: CORPORATE TENANTS.

In the event the Tenant hereunder is a corporation, the persons executing this Lease on behalf of the Tenant hereby covenant and warrant that: the Tenant is a duly constituted corporation qualified to do business in the state in which Landlord's Building is located; all Tenant's franchise, corporate and other lienable taxes have been paid to date; all future forms, reports, fees and other documents necessary for Tenant to comply with applicable laws will be filed by Tenant when due; and such persons are duly authorized by the governing body of such corporation to execute and deliver this Lease (including the warrant and/or power of attorney provisions contained in Sections 16.02, 18.03 and 19.02) on behalf of the corporation.

Section 23.14: TENANT'S GUARANTOR.

Deleted

Section 23.15: RECORDING.

This Lease shall not be recorded; however Landlord shall have the right to record a short form or memorandum thereof, at Landlord's expense, at any time during the term hereof, and Tenant shall execute same.

Section 23.16: AGENT OF LANDLORD.

Agent has acted as an agent of Landlord in connection with the execution of this Lease and shall not in any event be held liable to the Landlord or to Tenant for the fulfillment or non-fulfillment of any of the terms or conditions of this Lease or for any action or proceeding that may be taken by Landlord against Tenant, or by Tenant against Landlord. Any waiver of Landlord's liability hereunder, including any waiver of subrogation rights, shall apply with equal force and effect to, and as a waiver of any liability of, Agent.

Section 23.17: HAZARDOUS MATERIAL.

(a) As used herein the term "hazardous material" means any flammable, explosive, medical, human or animal tissues or substances, hazardous or toxic substance, material or waste (including, without limitation, asbestos and chlorofluorocarbons) which has been, or in the future is, determined by any state, federal or local governmental authority or any law, ordinance, statute, governmental rule or regulation to be capable of posing a risk of injury to health, safety or property and/or the use, storage and/or disposal of which is regulated by any governmental authority, including, without limitation, all of those materials and substances designated as hazardous or toxic by the local government having jurisdiction over the Premises, the U.S. Environmental Protection Agency, the Consumer Products Safety Commission, the Food and Drug Administration or any other governmental agency now or hereafter authorized to regulate materials and substance. Tenant shall not cause or permit any hazardous material to be installed in the Premises as a part of Tenant's Work or otherwise brought upon, used, kept, stored or disposed of in or about the Premises or the Shopping Center by Tenant, its agents, employees, contractors or invitees. Notwithstanding the foregoing, Tenant may handle, store, use and dispose of products

containing small quantities of hazardous materials (such as aerosol cans containing insecticides, toner for copiers, paints, varnishes and cleaning supplies) of insignificant quantities stored in sealed containers and used in accordance with manufacturers' requirements.

Notwithstanding anything to the contrary herein, if after the date of this Lease Landlord receives written notice by the appropriate government agency requiring Landlord to remove any specific items containing hazardous materials from within the Premises, it shall be the sole responsibility of the Landlord to comply with such notice and to pay for all costs in connection therewith, as well as the costs to restore the Premises to its condition prior to the commencement of such work, unless such hazardous materials were brought, stored or discharged upon the Premises by Tenant, its contractors, subcontractors, agents, employees or servants, in which event Tenant shall be responsible to timely effect such removal in a manner required by such agency as well as all such costs to restore the Premises. Tenant's Rent shall abate at any time Tenant is required by Landlord to close its business to effect such removal of hazardous materials. If Landlord's cost to remove such hazardous materials exceeds Twenty Five Thousand and 00/100 Dollars (\$25,000.00), Landlord may at its option terminate this Lease upon sixty (60) days prior written notice to Tenant.

(b) If the Premises, any equipment (including, without limitation, HVAC equipment), trade fixtures or other mechanical apparatus therein contain any hazardous materials installed by Tenant, its agents, employees, contractors or invitees, Landlord, at its election, shall have the right to (i) cause Tenant to remove and properly dispose of same, all at Tenant's sole cost and expense, in accordance with applicable law and means and methods approved in advance by Landlord and its professional consultants, or (ii) perform the removal and disposal thereof itself, in which event Tenant shall reimburse Landlord, on demand, for the cost incurred by Landlord in doing so (including Landlord's cost of professional consultants) and securing the certifications referred to below.

(c) If Landlord requires Tenant to remove any hazardous material installed by Tenant, its agents, employees or contractors, Tenant shall retain the services of an environmental engineer and a contractor, both of whom must be previously approved in writing by Landlord. Tenant shall submit to Landlord for approval the insurance certificates of Tenant's environmental engineer and contractor, a written removal plan and detailed plans and specifications which shall disclose, without limitation, the dates on which such work is to be performed and the steps to be taken to protect the public, all public areas in the Shopping Center, and the HVAC, water, sprinkler, sanitary and storm systems from contamination during the removal and disposal process. No work disclosed in the removal plan shall be commenced until Landlord has approved all aspects of such removal and disposal process and Tenant shall only perform such work in strict accordance with the process as approved by Landlord. If required by Landlord, Tenant shall close for business while such work is being performed and remain closed until the removal work has been completed in a manner satisfactory to Landlord. Landlord reserves the right to monitor the performance of such work from time to time and, if Landlord believes that such work is being done in a manner which permits hazardous material to escape from the Premises or otherwise constitutes an unsafe condition, at Landlord's direction Tenant shall immediately cease work until such problem has been corrected to Landlord's satisfaction. Tenant shall replace any contaminated equipment or materials removed from the Premises with new equipment or material performing the same function. All work performed by or on behalf of Tenant shall be performed in accordance with all applicable Governmental Requirements, including, without limitation, requirements requiring the keeping of a duly executed manifest which documents all steps taken from the time the hazardous material was removed from the Premises until it was lawfully disposed of in a dump site authorized to accept such hazardous material. Landlord shall not be responsible in any way by reason of the fact that Landlord has approved Tenant's environmental engineer, environmental contractor, the removal plan, the detailed plans and specifications or made suggestions, recommendations or modifications to any of the foregoing. Tenant and its engineer and contractor shall disclose to Landlord if anything suggested or recommended by Landlord does not comply with the Governmental Requirements, and Tenant shall be solely liable for such compliance.

(d) If Landlord elects to perform the removal of the hazardous material from the Premises, Landlord shall so notify Tenant of Landlord's anticipated commencement date of such work and, if required by Landlord, Tenant shall close for business not later than such date and remain closed until notified by Landlord to reopen whereupon Tenant shall promptly reopen for business. If Landlord performs such work it shall do so in compliance with all applicable Governmental Requirements. If directed to do so by Landlord, Tenant shall remove such of its merchandise, personal property and trade fixtures as shall be required by Landlord for the completion of such work or Landlord, its contractors and sub-contractors, may relocate the same within the Premises or elsewhere in the Shopping Center during the performance of such work; neither Landlord, Agent, nor their contractors or subcontractors shall be liable to Tenant in any regard for any damage to or loss of such items or for any other acts occurring in the Premises during the performance of such work.

(e) Tenant shall comply with all applicable Governmental Requirements affecting the Premises, the operation of Tenant's business at the Premises, and the use and removal of any substances therefrom, including, without limitation, hazardous materials installed by Tenant, its agents, employees or contractors. Such compliance shall include, inter alia, (i) the filing by Tenant of all governmental applications and registrations for all substances used, stored, manufactured, generated or otherwise in the Premises; (ii) the obtaining of all licenses and permits with respect thereto; and (iii) the timely filing from time to time, as required, of all reports and other matters required to be filed with governmental authorities having jurisdiction.

(f) Tenant shall protect, defend, indemnify and hold Landlord harmless of, from and against all claims, actions, liens, demands, costs, damages, punitive damages, expenses, fines and judgments (including legal costs and attorneys fees) incurred by reason of any actual or asserted failure of Tenant to fully comply with the provisions of this Section 23.17 and/or spills or other contamination of air, soil, or water by or resulting from any hazardous materials installed by Tenant, its agents, employees, contractors or invitees at or around the Premises or the Shopping Center or resulting from removal thereof.

(g) Upon thirty (30) days prior written request from Landlord, Tenant shall execute, acknowledge and deliver to Landlord a written statement in form satisfactory to Landlord certifying (i) if true, that Tenant has not disposed of any oil, grease, toxic, or hazardous material, at the Premises or (ii) that any such substances used, processed or generated at the Premises have been disposed of properly in accordance with all applicable Governmental Requirements. If Tenant is unable to certify either of the above, Tenant shall so notify Landlord and give Landlord the details resulting in Tenant's inability to so certify.

(h) Tenant shall surrender the Premises to Landlord upon the expiration or earlier termination of this Lease free of hazardous materials and in a condition which complies with all Governmental Requirements, recommendations of consultants hired by Landlord, and such other reasonable requirements as may be imposed by Landlord.

(i) Tenant shall not engage in operations at the Premises which involve the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of "hazardous substances" or "hazardous waste" as such terms are defined under any past or present New Jersey statute including, without limitation, the Environmental Cleanup Responsibility Act ("ECRA") and the Industrial Site Recovery Act ("ISRA"). All such statutes and ECRA and ISRA are hereinafter collectively referred to as "Environmental Acts."

(j) Tenant further covenants that it will not cause or permit to exist as a result of an intentional or unintentional action or omission on its part, the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping, from, on, or about the Premises, of any hazardous substance (as such term is defined under any of the Environmental Acts).

(k) If Tenant's operations on the Premises now or hereafter constitute an "Industrial Establishment" subject to the requirements of any of the Environmental Acts, then prior to the expiration or sooner termination of this Lease or to any assignment of this Lease or any subletting of any portion of the Premises, Tenant shall, at its expense, comply with all requirements of all Environmental Acts pertaining to the transfer or closure of an Industrial Establishment. Without limitation of the foregoing, Tenant's obligations shall include (i) the proper filing of an initial notice to the New Jersey Department of Environmental Protection ("DEP"); (ii) the performance of any soil, ground water and surface water sampling tests required by the DEP, and (iii) either the filing of a "negative declaration" with the DEP or the performance of a proper and approved clean up plan to the satisfaction of the DEP. Tenant additionally covenants that it will not cause or permit to exist as a result of any intentional or unintentional action or omission on its part, or by its agent, business invitees or assigns anything which shall cause a violation or any environmental law or regulation of the State of New Jersey.

(l) This Section shall survive the expiration or sooner termination of this Lease.

Section 23.18: FINALIZATION OF CHARGES.

Tenant's failure to object to any statement, invoice or billing rendered by Landlord within a period of one (1) year after receipt thereof shall, at Landlord's option, constitute Tenant's acquiescence with respect thereto and shall render such statement, invoice or billing a final and binding account stated between Landlord and Tenant.

Section 23.19: EXISTING LEASE.

The effectiveness of this Lease is conditioned upon Landlord obtaining possession of the Premises from the existing tenant thereof and if such possession is not obtained within six (6) months after the Required Opening Date, this Lease, at Landlord's option, shall be null and void.

Section 23.20: FINANCIAL INFORMATION.

If Tenant or Guarantor is a publicly held corporation, Tenant shall at any time and from time to time within twenty (20) days of written request from Landlord, deliver to Landlord such financial information concerning Tenant, Guarantor and Tenant's and Guarantor's business operations as may be requested by Landlord, any mortgagee or prospective mortgagee or purchaser or prospective purchaser.

Section 23.21: NOTICE TO MORTGAGEE.

If the holder of any mortgage which has a lien against the Shopping Center or any part thereof forwards to Tenant written notice of the existence of such lien, then Tenant shall, so long as such mortgage is outstanding, be required to give to such lienholder the same notice and opportunity to correct any default as is required to be given to Landlord under this Lease, but such notice of default may be given by Tenant to Landlord and such lienholder concurrently.

Section 23.22: WAIVER OF JURY TRIAL.

Landlord and Tenant hereby waive all right to a trial by jury in any litigation related to this Lease including any mandatory counterclaim or cross claim.

Section 23.23: CONFIDENTIALITY.

It is agreed and understood that Tenant may acknowledge only the existence of this Lease by and between Landlord and Tenant, and that Tenant may not disclose any of the terms and provisions contained in this Lease to any tenant or other occupant in the Shopping Center or to any agent, employee, subtenant or assignee of such tenant or occupant. Tenant acknowledges that any breach by Tenant of the agreements set forth in this Section 23.24 shall cause Landlord irreparable harm. The terms and provisions of this Section 23.24 shall survive the termination of this Lease (whether by lapse of time or otherwise).

Section 23.24: TENANT'S EARLY TERMINATION.

Provided Tenant has fully complied with its obligations set forth in Section 7.02 of this Lease, if for any Year (not Partial Year) after the Rent Commencement Date until the date of exercise of the option set forth below, in the event that Tenant's Gross Sales for the period from the thirteenth (13th) month through the twenty fourth (24th) month are less than Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00), Tenant may terminate this Lease upon written notice to Landlord given thirty (30) days after the end of such period. Such notice shall provide that this Lease shall be terminated one hundred twenty (120) days after the delivery of such notice.

Section 23.25: LANDLORD'S CONSENT.

Landlord reserves the right arbitrarily to withhold its consent with respect to changes affecting the exterior of the Premises (including the storefront and signs thereon), changes involving or affecting utility lines and other mechanical or electrical facilities running through the Premises, Tenant's right to assign or sublease this Lease except as otherwise stated herein and Tenant's use of the Premises; as to all other instances where it is herein provided that Tenant must obtain Landlord's consent, said consent shall not be unreasonably withheld. In the event a dispute should arise between Landlord and Tenant as to whether Landlord has acted reasonably in failing to give its consent in an instance under this Lease where Landlord has agreed not to unreasonably withhold the same, Tenant's sole remedy as a result thereof shall be an action for a declaratory judgment on such issue and in no event shall Landlord be liable to Tenant for any damages (direct or consequential) allegedly suffered by Tenant thereby.

Section 23.26: CO-TENANCY.

If at any time either Toys 'R Us and Kids 'R Us or less than sixty percent (60%) of the tenants in Landlord's Building are open for business for a period of six (6) months, Tenant may either (i) close and continue to pay Minimum Rent; or (ii) remain open and pay monthly, ten percent (10%) of Gross Sales plus utilities. If after twelve (12) months the foregoing condition still exists, Tenant may terminate this Lease upon prior written notice to Landlord. In the event Tenant closes, Landlord shall have the right to recapture the Premises and terminate the Lease upon prior written notice to Tenant.

Section 23.27: ENTIRE AGREEMENT.

(a) There are no oral agreements between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, letters of intent, lease proposals, brochures, agreements, representations, promises, warranties and understandings between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. The Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises, Landlord's Building and the Shopping Center. No alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing, signed by them and mutually delivered between them.

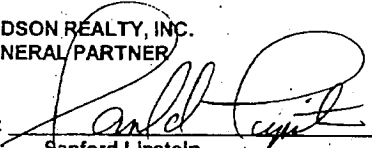
(b) The submission by Landlord to Tenant of this Lease shall have no binding force or effect, shall not constitute an option for leasing of the Premises nor confer any rights or impose any obligations upon either party until the execution thereof by Landlord and the delivery of an executed original copy thereof to Tenant.

IN WITNESS WHEREOF, the Landlord and Tenant have executed this Lease as of the date first hereinabove written.


LANDLORD:

HUDSON ASSOCIATES LIMITED PARTNERSHIP

By: **HUDSON REALTY, INC.**
GENERAL PARTNER


By: 
Sanford Lipstein
President

WITNESS:

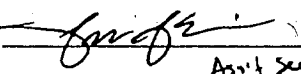


TENANT:

LARGE APPAREL OF NEW JERSEY, INC.

By: 
Joseph Sitt, President

ATTEST:


Asst. Sec'y
(CORPORATE SEAL)



NORTH

HACKENSACK RIVER

LANDLORD'S BUILDING

Junior Major

Junior Major

Junior Major

Junior Major

Junior Major

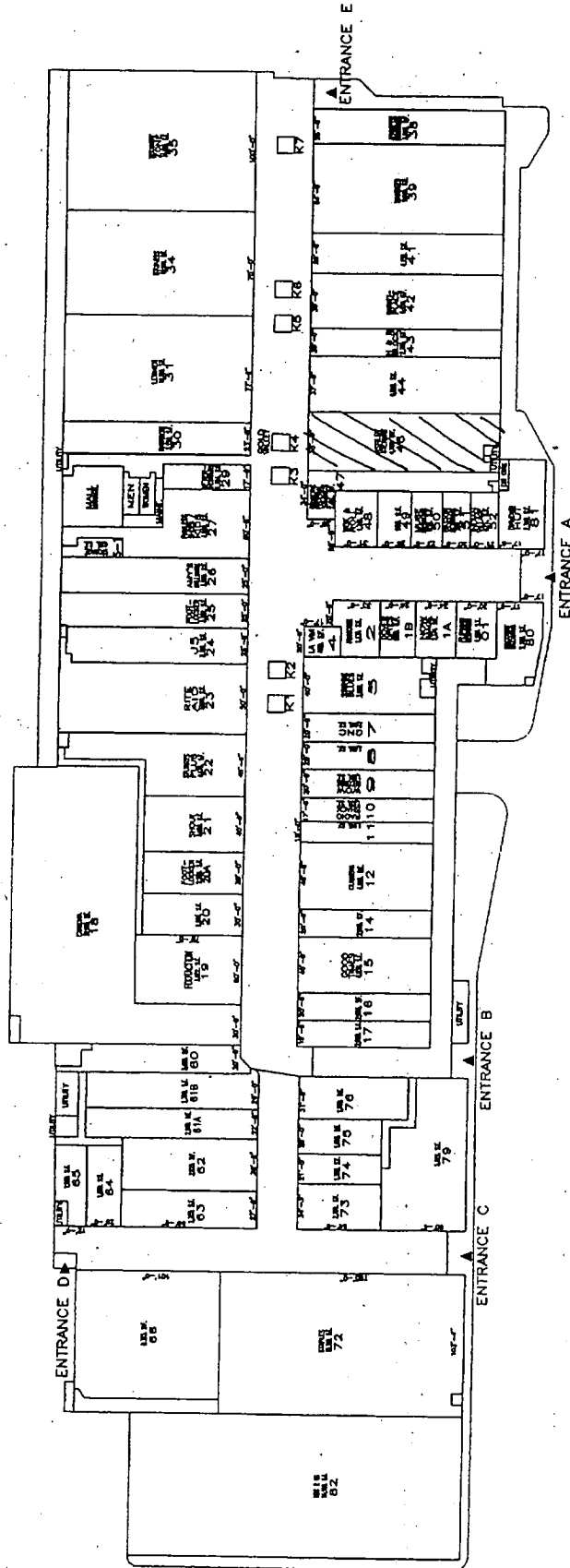
N.J. STATE HIGHWAY ROUTE 440

HUDSON MALL SITE PLAN

LANDLORD DOES NOT REPRESENT THAT ANY TENANT WHOSE NAME APPEARS ON THIS PLAN IS NOW OCCUPYING OR WILL CONTINUE TO OCCUPY ANY PORTION OF THE SHOPPING CENTER.

HUDSON MALL EXHIBIT A

PAGE 2 OF 2



LANDLORD DOES NOT REPRESENT THAT ANY TENANT WHOSE NAME
APPEARS ON THIS PLAN IS NOW OCCUPYING OR WILL CONTINUE
TO OCCUPY ANY PORTION OF THE SHOPPING CENTER.

AUG. 1, 1997

EXHIBIT "B"

GUARANTEE OF LEASE

WHEREAS, a certain Shopping Center Lease (the "Lease") dated as of _____, by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (the "Landlord") and LARGE APPAREL OF NEW JERSEY, INC. (the "Tenant") has, on even date herewith, been executed covering certain demised premises (the "Premises") currently known as Tenant Store No. 46, Hudson Mall, Jersey City, NJ; and

WHEREAS, the Landlord requires that the undersigned unconditionally becomes surety to Landlord for Tenant's full performance under the Lease; and

NOW, THEREFORE, in consideration of other good and valuable considerations, and intending to be legally bound, the undersigned hereby absolutely, unconditionally and irrevocably becomes surety to Landlord, its successors, endorsees or assigns for the full, faithful and punctual performance of each and all of the terms, covenants, agreements and conditions of the Lease to be kept and performed by Tenant, in accordance with and within the time prescribed by the Lease, whether at maturity, or by declaration, acceleration or otherwise, as well as other liabilities now or hereafter contracted by Tenant to Landlord, together with costs and expenses of collection incurred by Landlord, including, without limitation, reasonable attorney's fees incurred by Landlord in connection with any of the foregoing (hereinafter referred to as the "Liabilities"). The undersigned further agrees as follows:

1. Landlord shall have the right from time to time, and at any time in its sole discretion, without notice to or consent from the undersigned, or without affecting, impairing, or discharging in whole or in part, the liabilities of the undersigned hereunder, to modify, change, extend, alter, amend, or supplement, in any respect whatever, the Lease or any agreement or transaction between Landlord and Tenant or between Landlord and any other party liable for the Liabilities, or any portion or provision thereof, to grant extensions of time and other indulgence of any kind to Tenant; to compromise, release, substitute, exercise, enforce or fail to refuse to exercise or enforce any claims, rights, or remedies of any kind which Landlord may have at any time against Tenant or any other party liable for the Liabilities, or any thereof, or with respect to any security of any kind held by Landlord at any time under any agreement or otherwise. Nor shall the Liabilities of the undersigned be affected, impaired or discharged, in whole or in part, by reason of any action whatsoever taken by Landlord including, without limitation, sale, lease, disposition, liquidation or other realization (which may be negligent, willful or otherwise with respect to any security in which Landlord may at any time have any interest or against any other party liable for all or any part of the Liabilities).

2. The undersigned waives (a) all notices, including but not limited to (i) notice of acceptance of this Guarantee; (ii) notice of presentment, demand for payment, default by Tenant or (b) all defenses, offsets and counterclaims which the undersigned may at any time have jointly or severally to any of the Liabilities; (c) trial by jury and the right thereto and any proceeding of any kind, whether arising on or out of, under or by reason of this Guarantee, or any other agreement or transaction between the undersigned, Landlord and/or Tenant; (d) all notices of a financial condition or of any adverse or other change in the financial condition of Tenant.

3. Landlord may, without notice, assign this Guarantee in whole or in part. No assignment or transfer of the Lease or subletting of the premises by Landlord or Tenant shall alter, extinguish or diminish the liability of the undersigned hereunder.

4. The liability of the undersigned under this Guarantee shall be primary under any right of action which shall accrue to Landlord under the Lease and Landlord may, at its option, proceed initially and directly against the undersigned without having to commence any action, or having to obtain any judgment against the Tenant. Landlord may join the undersigned in any action or proceeding against Tenant.

5. All of the Liabilities shall be immediately due and payable by the undersigned, anything contained herein to the contrary notwithstanding; immediately upon the insolvency of the undersigned and/or Tenant in the bankruptcy or equity sense; the application for appointment or appointment of a trustee, receiver, conservator, liquidator, sequester, custodian, or other similar judicial representative for the undersigned and/or Tenant or any of Tenant's assets; the undersigned and/or Tenant's making any assignment for the benefit of creditors; the commencement of a case by or against the undersigned and/or Tenant under any insolvency, bankruptcy, creditor adjustment or debtor rehabilitation laws, state or federal, including but not limited to arrangement, composition, liquidation or reorganization; the calling of a meeting of creditors of the undersigned and/or Tenant; the commencement of levy, or execution or attachment proceedings against the undersigned and/or Tenant or any of their assets whether or not Landlord has exercised any option which it may have to require payment in full or acceleration of payment of the Liabilities; from any other person liable for payment of the Liabilities. Each of the foregoing shall also be an Event of Default under the Lease.

6. Guarantor covenants and agrees that if there is an Event of Default by Tenant under the Lease or a default by the undersigned under this Guarantee of Lease, then Landlord may, without limitation, cause judgments for money to be entered against Guarantor and, for those purposes, Guarantor hereby grants the following warrant of attorney: (i) Guarantor hereby irrevocably authorizes and empowers any prothonotary, clerk of court, attorney of any court of record and/or Landlord (as well as someone acting for Landlord) in any and all actions commenced against Guarantor for recovery of the rent and/or other amounts to be paid to Landlord by Guarantor to appear for Guarantor, and assess damages and confess or otherwise enter judgment against Guarantor, for all or any part of the rent and/or other amounts to be paid to Landlord by Guarantor together with interest, costs and an attorneys' commission of five percent (5%) of the full amount

of such rent, amounts and sums, and thereupon writs of execution as well as attachment may forthwith issue and be served, without any prior notice, writ or proceeding whatsoever; (ii) the warrant of attorney herein granted shall not be exhausted by one or more exercises thereof but successive actions may be commenced and successive judgments may be confessed or otherwise entered against Guarantor from time to time as often as any of the rent and/or other amounts and sums shall fall or be due or be in arrears, and this warrant of attorney may be exercised after the termination or expiration of the Term and/or during or after any extensions of the Term or renewals of this Lease. The undersigned waives all relief from any and all appraisal or laws now in force or hereinafter enacted.

7. The undersigned agree and consent to the exclusive jurisdiction of the Courts of Common Pleas of Pennsylvania and/or the United States District Court for the Eastern District of Pennsylvania in any and all actions and proceedings whether arising hereunder or under any other agreement or undertaking, and irrevocably agrees to service of process by certified mail, return receipt requested, to its address set forth herein, or such address as may appear in Landlord's records. This agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

8. The Liabilities of the undersigned shall not be affected, impaired or discharged, in whole or in part, by reason of (a) the entry of an order for relief pursuant to the Bankruptcy Code by or against Tenant or any of the undersigned; or (b) the proposal of or the consummation of a plan of reorganization; (c) the assignment of Tenant's obligations pursuant to (i) an assignment or sublease, (ii) an order of Court or (iii) by operation of law; (d) the discharge of the obligations of Tenant to Landlord.

9. The waiver of any right by Landlord or failure to exercise promptly any right shall not be construed as the waiver of any other right to exercise the same at any time thereunder. All rights and remedies of Landlord are cumulative and not alternative. If any part hereof is determined to be illegal or unenforceable, such part shall be deemed stricken (or reformed as necessary to eliminate such illegal or unenforceable part but no further) and the remainder hereof shall be unaffected and shall remain in full force and effect. If this Guarantee of Lease in its entirety shall be held ineffective or unenforceable by any court of competent jurisdiction then the undersigned shall be deemed to be a tenant under the Lease with the same force and effect as if the undersigned had executed the Lease as tenant or were named as a joint tenant therein and were jointly and severally liable with Tenant thereunder.

10. Any acknowledgment, new promises, payment of principal or interest or otherwise by Tenant or others with respect to the Liabilities of Tenant, shall be deemed to be made as agent of the undersigned for the purposes hereof, and shall, if the statute of limitations in favor of the undersigned against the Landlord shall have commenced to run, toll the running of such statute of limitations, and if such statute of limitations shall have expired, prevent the operation of such statute. This Guarantee of Lease shall be a continuing guarantee and security agreement and shall continue and remain in full force and effect until all of the Liabilities have been completely and satisfactorily performed or otherwise discharged by Tenant; the undersigned shall not in any way be released of its obligation to Landlord under this Guarantee of Lease so long as any claim of Landlord against Tenant is not satisfied, settled or discharged in full. This Guarantee of Lease shall survive the expiration of the term of the Lease.

11. The liability of the undersigned shall be joint and several, shall bind the successors and assigns of the undersigned and shall inure to the benefit of Landlord, its successors and assigns.

IN WITNESS WHEREOF, the undersigned has caused this GUARANTEE OF LEASE to be executed as of the even date with said Lease.

UNDERSIGNED:

Ashley Stewart, Inc.

BY: 

TITLE: President

ATTEST: 

TITLE: Asst Sec'y

ADDRESS: 100 Metro Way
Secaucus, NJ 07094

CORPORATE I.D. # 22-3523893

EXHIBIT "C"

COMPLETION CERTIFICATE

DATED AS OF _____

PART I

SHOPPING CENTER LEASE (the "Lease") dated as of _____

Parties:

Hudson Associates Limited Partnership ("Landlord")

Large Apparel of New Jersey, Inc. ("Tenant")

Premises:

Tenant Store No. 46

Jersey City, NJ 07304

GLA of Premises: 4,709 square feet

Actual Opening Date: _____

Rent Commencement Date: _____

Expiration Date: _____

PART II

Tenant, intending legally to be bound hereby, hereby ratifies the Lease and hereby certifies and agrees with Landlord as follows:

- A. the dates and other information set forth in this Completion Certificate are true and correct; and,
- B. the Rent Term commences on the Rent Commencement Date set forth in PART I hereof and ends absolutely and without notice at 11:59 P.M. (local time) on the Expiration Date, unless sooner terminated as provided in this Lease or extended by written agreement of the parties; and,
- C. the Lease has not been assigned, supplemented, amended or otherwise modified; the Lease represents the entire agreement between the parties as to the Premises and its leasing; there are no breaches or other defaults by Landlord under the Lease; all conditions of the Lease to be performed by Landlord and necessary to the enforceability of the Lease have been satisfied; the Lease is in all other regards in full force and effect; and,
- D. Tenant has accepted possession of and has entered into occupancy of the Premises; the Premises has been accepted by Tenant as being in accordance with the terms and conditions of the Lease; no Rent has been nor will be paid or prepaid other than as provided in the Lease and there are no defenses, offsets, deductions or counterclaims against the enforcement of the Lease by Landlord or the payment of Rent by Tenant; and,
- E. the Lease is subordinate to the REA and to any and all mortgages on or deeds of trust as to the Shopping Center subject to the non-disturbance provision of Section 18.02 of the Lease.

PART III

In addition to the foregoing certifications, Tenant has delivered to Landlord all of the following documents relating to work that has been performed by, through or under Tenant in or about the Premises:

- A. properly executed and acknowledged affidavits (satisfactory to Landlord) from contractors engaged by Tenant that all work in or about the Premises has been fully completed in accordance with the Final Plans approved by Landlord and that each of Tenant's contractors, as well as all subcontractors, laborers and materialmen, has been paid in full; and
- B. properly executed and acknowledged releases of mechanics', materialmen's and laborers' liens (satisfactory to Landlord) with respect to the Premises from each of Tenant's contractors and from every subcontractor and materialman; and
- C. a set of approved "as-built" drawings and specifications for the work done by Tenant in and about the Premises, prepared, signed and sealed by Tenant's architect, together with a complete set of Tenant's "as-built" sprinkler and other fire protection drawings and specifications prepared, signed and sealed by Tenant's architect or engineer; and
- D. true and complete copies of certificates of occupancy and licenses from governmental bodies having jurisdiction over Tenant's use or occupancy of any part of the Premises; and

E. a detailed cost break-down sheet satisfactory to Landlord specifying the line items and cost of each line item of the work done by, through or under Tenant in and about the Premises; and,

F. electrical underwriter's certificate from an organization satisfactory to Landlord.

All terms defined in any other part of the Lease are used herein as defined therein.

This COMPLETION CERTIFICATE has been executed as of the date first above written.

TENANT:

LARGE APPAREL OF NEW JERSEY, INC.

By: _____

Title: _____

Attest: _____

Title: _____

(Corporate Seal)

FIRST AMENDMENT OF LEASE

THIS AMENDMENT OF LEASE, made this 18 day of Aug. 1999 by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (hereinafter called "Landlord") and LARGE APPARREL OF NEW JERSEY, INC. , t/a ASHLEY STEWART WOMAN SIZES 14-24 (hereinafter called "Tenant").

WITNESSETH:

WHEREAS, by a lease dated September 5, 1997 (said lease, together with all prior amendments thereto, if any, are collectively referred to herein as the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situate in the Hudson Mall, Jersey City, New Jersey, known and designated as Store Number 46 ("Premises"), for a term of years upon certain terms and conditions as more fully set forth in the Lease; and

WHEREAS, Landlord and Tenant desire to modify the provisions of the Lease upon the terms and conditions hereinafter set forth.

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

1. The parties hereby acknowledge and agree that Tenant's early termination right as set forth in Section 23.24 of the Lease shall continue for an additional twelve (12) month period. Therefore, the words "or the period beginning the twenty-fifth (25th) month and continuing through the thirty-sixth (36th) month" are hereby added after the words "twenty fourth (24th) month in the third line of said Section 23.24.

2. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, including the confession of judgment contained therein and all other terms whether or not deemed personal covenants shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except

as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

3. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, administrators, successors and assigns.

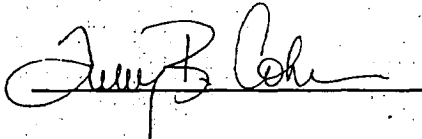
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the day and year first above written.

LANDLORD:

WITNESS:

HUDSON ASSOCIATES
LIMITED PARTNERSHIP

By: HUDSON REALTY, INC.
GENERAL PARTNER



By: 
Sanford Lipstein, President

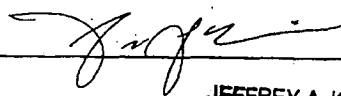
TENANT:

LARGE APPARREL OF NEW JERSEY, INC.

By: 
JOSEPH J. SITT, President

Title: _____

(CORPORATE SEAL)

Attest: 
JEFFREY A. KLEIN
Secretary

Date: 8/11/99

SECOND AMENDMENT OF LEASE

THIS AMENDMENT OF LEASE, made this 19th day of July, 2000, by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (hereinafter called "Landlord") and LARGE APPAREL OF NEW JERSEY, INC., t/a Ashley Stewart Woman Sizes 14 - 24 (hereinafter called "Tenant").

WITNESSETH:

WHEREAS, by a lease dated September 5, 1997 (said lease, together with all prior amendments thereto, if any, are collectively referred to herein as the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situate in the Hudson Mall known and designated as Store Number 46 ("Premises"), for a term of years upon certain terms and conditions as more fully set forth in the Lease; and

WHEREAS, Landlord and Tenant desire to modify the provisions of the Lease upon the terms and conditions hereinafter set forth.

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

1 The heading of Lease Section 23.24 is hereby deleted and replaced by "Landlord's and Tenant's Early Termination". The entire paragraph of Section 23.24 shall be deleted and replaced with the following:

Landlord and Tenant are hereby granted the right to terminate this Lease at anytime during the Lease Term by providing the other party at least ninety (90) days prior written notice. In the event either party elects to exercise its right to terminate, the Term of the Lease shall terminate on the date set forth in its Notice as if said date were the natural expiration date of the Term of the Lease as set forth hereinabove. Provided however, in no event shall Landlord have the right to terminate the Lease during the months of October, November or December.

2. Retroactively effective March 1, 2000 and continuing through January 31, 2008 (hereinafter "Rent Reduction Period"), Tenant's Minimum Rent shall be reduced to the amount set forth below:

Minimum Rent:

| <u>Time Period</u> | <u>Annual Amount</u> | <u>Monthly Amount</u> |
|---|----------------------|-----------------------|
| From March 1, 2000 through <u>January 31, 2008</u> | \$55,000.00 | \$4,583.33 |

3. Also, during the Rent Reduction Period, Tenant's Percentage Rent shall be calculated as follows:

Seven percent (7%) (the "**Percentage**") of Gross Sales in excess of the Sales Break Point of Seven Hundred Eighty Five Thousand and Seven Hundred Fourteen Dollars (\$785,714.00) per Year or if applicable, the Partial Year Break Point in the case of a Partial Year.

4. The parties hereby agree that the above-stated reduction of Minimum Rent and restructuring of Percentage Rent are effective only in the event that Tenant's Gross Sales do not exceed Eight Hundred Thousand and 00/100 Dollars (\$800,000.00) for any consecutive twelve (12) month period. If Tenant's Gross Sales do exceed Eight Hundred Thousand and 00/100 Dollars (\$800,000.00) for any consecutive twelve (12) month period, then Tenant's Minimum Rent and Percentage Rent shall be automatically reinstated at the amounts and pursuant to the provisions originally set forth in the Lease.

5. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, including all other terms whether or not deemed personal covenants shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

6. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the day and year first above written.

LANDLORD:

HUDSON ASSOCIATES LIMITED PARTNERSHIP

**By: HUDSON REALTY, INC.
GENERAL PARTNER**

**By: _____
Sanford Lipstein
President**

TENANT:

LARGE APPAREL OF NEW JERSEY, INC.

**By: _____
Joseph J. Sitt**

**Title: _____
President**

(CORPORATE SEAL)

**Attest: _____
Jeffrey A. Klein**

**Title: _____
Secretary**

SECOND AMENDMENT OF LEASE

THIS AMENDMENT OF LEASE, made this 2nd day of Nov., 2000, by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (hereinafter called "Landlord") and LARGE APPAREL OF NEW JERSEY, INC., t/a Ashley Stewart Woman Sizes 14 - 26 (hereinafter called "Tenant"),

WITNESSETH:

WHEREAS, by a lease dated September 5, 1997 (said lease, together with all prior amendments thereto, if any, are collectively referred to herein as the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situate in the Hudson Mall known and designated as Store Number 46 ("Premises"), for a term of years upon certain terms and conditions as more fully set forth in the Lease; and

WHEREAS, Landlord and Tenant desire to modify the provisions of the Lease upon the terms and conditions hereinafter set forth.

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

1. The parties hereby acknowledge and agree that Tenant's early termination right as set forth in Section 23.24 of the Lease shall be rendered null and void on August 31, 2000.

2. Subject to the limitations set forth below, in the event that Tenant's Gross Sales for the period of time consisting of the 49th through the 60th full calendar month of the Term hereof are less than Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00), Tenant or Landlord may terminate this Lease upon written notice to the other, given, in the case of notice by Tenant within thirty (30) days after the expiration of such 60th month and in the case of Landlord, within thirty (30) days after Landlord receives Tenant's Yearly Report for the 49th through the 60th month of the Term hereof. Tenant may only exercise such option if Tenant has fully complied with its obligations set forth in Section 7.02 of this Lease from the date of this Amendment until the date of Tenant's

exercise. Such notice shall provide that this Lease shall be terminated one hundred twenty (120) days after the delivery of such notice. In the event that Tenant or Landlord do not exercise their termination option as provided herein within the aforesaid period, such option shall lapse.

3. Retroactively effective March 1, 2000 and continuing until the earlier to occur of the following: (a) the date on which Tenant's annual Gross Sales are at least Eight Hundred Thousand and 00/100 Dollars (\$800,000.00), or (b) the expiration date of the Term of the Lease (hereinafter "Rent Reduction Period"), Tenant shall pay reduced annual Minimum Rent in an amount equal to Fifty-Five Thousand and 00/100 Dollars (\$55,000.00), payable in equal monthly installments of Four Thousand Five Hundred Eighty-Three and 33/100 Dollars (\$4,583.33).

4. Also, during the Rent Reduction Period, Tenant's Percentage Rent shall be calculated as follows:

Eight percent (8%) (the "Percentage") of Gross Sales in excess of the Sales Break Point of Six Hundred Twenty-five Thousand and 00/100 Dollars (\$625,000.00) per Year or if applicable, the Partial Year Break Point in the case of a Partial Year.

5. The parties hereby agree that the above-stated reduction of Minimum Rent and restructuring of Percentage Rent are effective only during the Rent Reduction Period. Therefore, in the event the Rent Reduction Period ends prior to the expiration of the Term of the Lease (as set forth in No. 3 above), then effective the day following the end of the Rent Reduction Period, Tenant's Minimum Rent and Percentage Rent shall be automatically reinstated at the amounts (subject to any applicable increases) and pursuant to the provisions originally set forth in the Lease.

6. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, including all other terms whether or not deemed personal covenants shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

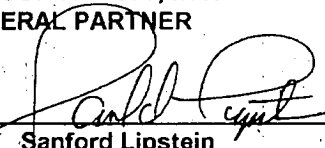
7. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the day and year first above written.

LANDLORD:

HUDSON ASSOCIATES LIMITED PARTNERSHIP

By: HUDSON REALTY, INC.
GENERAL PARTNER

By: 
Sanford Lipstein
President

TENANT:

LARGE APPAREL OF NEW JERSEY, INC.

By: 
Joseph J. Sitt

Title: President

(CORPORATE SEAL)

Attest: 
Jeffrey A. Klein

Title: Secretary

THIRD AMENDMENT OF LEASE

THIS AMENDMENT OF LEASE, made this 11th day of September 2002, by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (hereinafter called "Landlord") and LARGE APPAREL OF NEWJERSEY, INC., t/a Ashley Stewart Woman Sizes 14-26 (hereinafter called "Tenant").

WITNESSETH:

WHEREAS, by a lease dated September 5, 1997 (said lease, together with all prior amendments thereto, if any, are collectively referred to herein as the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situate in the Hudson Mall known and designated as Store Number 46 ("Premises"), for a term of years upon certain terms and conditions as more fully set forth in the Lease; and

WHEREAS, Landlord and Tenant desire to modify the provisions of the Lease upon the terms and conditions hereinafter set forth.

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

1. The parties hereby acknowledge that Tenant's requirement to perform a cosmetic refurbishment of the Premises between the 48th and 73rd month of the Term under Section 7.03 (o) of the Lease shall be null and void and of no further force and effect.

2. Notwithstanding the provisions presently contained in the Lease, Landlord and Tenant agree that Section 2 of the Second Amendment of Lease dated November 8, 2000 is hereby modified to change the time period from the 49th through 60th full calendar month of the Term, wherever appearing in such Section, so that henceforth the same shall read 73rd through 84th full calendar month of the Term.

3. The Lease is further amended to provide that Landlord shall have the right to terminate the Lease at any time during the Rent Reduction Period upon sixty (60) days prior written notice to Tenant provided, however, that Landlord shall not have the right

to terminate the Lease effective during the months of October, November or December of any year during such period.

4. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, including the confession of judgment contained therein and all other terms whether or not deemed personal covenants, shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

5. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the day and year first above written.

LANDLORD:

WITNESS:

HUDSON ASSOCIATES LIMITED PARTNERSHIP

By: HUDSON REALTY, INC.
GENERAL PARTNER

Lorraine A. Beaty

By:

Sanford Lipstein
President

TENANT:

ATTEST:

LARGE APPAREL OF NJ, INC.

New Jersey

(CORPORATE SEAL)

By:

Robert S. Bland
President

FOURTH AMENDMENT OF LEASE

THIS AMENDMENT OF LEASE, made this 9th day of Dec, 2004, by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (hereinafter called "Landlord") and LARGE APPAREL OF NEW JERSEY, INC., t/a ASHLEY STEWART WOMAN SIZES 14-26 (hereinafter called "Tenant").

WITNESSETH:

WHEREAS, by a lease dated September 5, 1997, (said lease, together with all prior amendments thereto, if any, are collectively referred to herein as the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situated in the Hudson Mall, Jersey City, New Jersey, known and designated as Store Number 46 ("Premises"), for a term of years upon certain terms and conditions as more fully set forth in the Lease; and

WHEREAS, Landlord and Tenant desire to modify the provisions of the Lease upon the terms and conditions hereinafter set forth.

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

1. Landlord and Tenant hereby acknowledge and agree that Section 3 of the Second Amendment of Lease dated November 8, 2000, is hereby deleted in its entirety and replaced with the following:

"Retroactively effective March 1, 2000, and continuing until the earlier to occur of the following: (a) the date on which Tenant's annual Gross Sales for any twelve (12) consecutive month period subsequent to March 1, 2000, are at least Eight Hundred Thousand and 00/100 (\$800,000) Dollars, or (b) the Expiration Date of the Term of the Lease (hereinafter referred to the "Rent Reduction Period"), Tenant shall pay reduced Minimum Rent during the time periods set forth below, which occur during the Rent Reduction Period, as follows:

| <u>Time Period</u> | <u>Annual Amount</u> | <u>Monthly Amount</u> |
|--|----------------------|-----------------------|
| March 1, 2000 through August 31, 2004 | \$55,000.00 | \$4,583.33 |
| September 1, 2004 through August 31, 2006 | \$45,000.00 | \$3,750.00 |
| September 1, 2006 through the end of the Term | \$55,000.00 | \$4,583.33" |

2. Further, Landlord and Tenant hereby acknowledge and agree that the time period "73rd through 84th full calendar month of the Term" as set forth in Section 2 of the Third

Amendment of Lease dated September 11, 2002, is hereby deleted and replaced with the time period "97th through 108th full calendar month of the Term."

3. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, including the confession of judgment contained therein and all other terms whether or not deemed personal covenants shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

4. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, administrators, successors and assigns.

5. The Guarantor hereby acknowledges and agrees to the terms of this Amendment as set forth above.

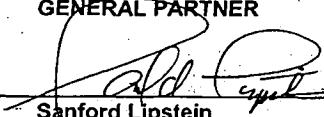
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the day and year first above written.

WITNESS:

LANDLORD:

HUDSON ASSOCIATES LIMITED PARTNERSHIP

By: HUDSON REALTY, INC.
GENERAL PARTNER

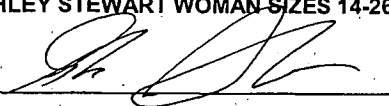
By: 
Sanford Lipstein
President

ATTEST:

(CORPORATE SEAL)

TENANT:

LARGE APPAREL OF NEW JERSEY, INC., t/a
ASHLEY STEWART WOMAN SIZES 14-26

By: 

ATTEST:

(CORPORATE SEAL)

GUARANTOR:

ASHLEY STEWART, INC.

By: 

FIFTH AMENDMENT OF LEASE

THIS FIFTH AMENDMENT OF LEASE, made this 26 day of Oct, 2007 by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP (hereinafter "Landlord"), and LARGE APPAREL OF NEW JERSEY, INC., t/a ASHLEY STEWART WOMAN SIZES 14-26(hereinafter "Tenant").

WITNESSETH:

WHEREAS, by lease dated September 5, 1997, (said lease together with all prior amendments thereto, if any, are collectively hereinafter the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situate in the Hudson Mall, located in Jersey City, New Jersey known and designated as Store Number 0046 (the "Premises") for a term of years upon certain terms and conditions as set forth in the Lease; and

WHEREAS, Urban Brands, Inc. has assumed the obligations of Ashley Stewart, Ltd. as Guarantor of Tenant's obligations under the Lease as acknowledged to by virtue of its signature below as Guarantor; and,

WHEREAS, the Lease is scheduled to expire on January 31, 2008; and

WHEREAS, Landlord and Tenant desire to modify the provisions of the Lease and extend the Term upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the aforesaid, and of the sum of One (\$1.00) Dollar, by each to the other in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, covenant and agree with each other, as follows:

1. Terms not defined herein shall have the meanings ascribed to them in the Lease, unless otherwise modified herein.
2. The Term of the Lease is hereby extended for two (2) years, commencing February 1, 2008 and continuing through January 31, 2010 (hereinafter the "Extension Period").
3. During the Extension Period, Tenant shall pay, in lieu of annual Minimum Rent and all Additional Rent and charges (excluding utilities and trash charges), an annual amount equal to Fifty-Five Thousand and 00/100 Dollars (\$55,000.00), payable



in equal monthly installment payments of Four Thousand Five Hundred Eighty-Three and 33/100 Dollars (\$4,583.33).

4. Additionally, Tenant shall continue to pay Percentage Rent in accordance with the terms, covenants and conditions of the Lease; however, during the Extension Period, Tenant's Percentage Rent Break Point shall be Six Hundred Twenty-Five Thousand and 00/100 Dollars (\$625,000.00).

5. Notwithstanding anything contained in the Lease to the contrary, Landlord is hereby granted the right to terminate the Lease by providing at least sixty (60) days' prior written notice to Tenant of its intention to do so provided, however, that Landlord shall not have the right to terminate the Lease effective during the months of October, November or December of any year during such period ("**Landlord's Notice**"). In the event Landlord exercises its right to terminate, the Term of the Lease shall terminate on the date set forth in Landlord's Notice ("**Early Termination Date**"), as if said date was the natural expiration date of the Term of the Lease. If Landlord exercises its termination right, the termination of the Lease pursuant to this Amendment shall in no event release Tenant from any of its obligations applicable to the period prior to and including the Early Termination Date. Tenant shall fulfill all covenants and shall remain liable for all obligations under the Lease applicable to the period prior to and including the Early Termination Date. In the event the Early Termination Date is a date other than the last day of any relevant time period set forth in the Lease, any amounts due and payable with respect to such time periods shall be appropriately prorated and such amounts shall be due and payable within thirty (30) days after the Early Termination Date.

6. Provided Tenant has fully complied with its obligations set forth in Section 7.02 of the Lease, from the Actual Opening Date until the date of exercise of the option set forth below, then in the event that Tenant's Gross Sales for the period February 1, 2008 through January 31, 2009 are less than Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00), Tenant may terminate this Lease upon written notice to Landlord not later than February 28, 2009. Such notice shall provide that the Lease shall be terminated one hundred twenty (120) days after the delivery of such notice. In the event that Tenant fails to exercise its termination option as set forth above, within the aforesaid

time period, such option shall lapse.

7. Tenant hereby acknowledges that (a) Tenant is presently occupying the Premises; (b) Landlord has no responsibility to perform any work therein; and (c) as of the date hereof, Landlord has fully performed all of its obligations under the Lease.

8. The term of the Lease shall expire absolutely on January 31, 2010 without the necessity for any notice whatsoever. On or before January 31, 2010, Tenant shall vacate and surrender possession of the Premises to Landlord in accordance with the provisions of the Lease. There shall be no holding over of the Premises by Tenant after January 31, 2010, unless Landlord and Tenant execute an agreement which provides for Tenant's occupancy after January 31, 2010.

9. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, whether or not deemed personal covenants, shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

10. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

11. The Guarantor hereby acknowledges and agrees to the terms of this Amendment as set forth above.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to
be duly executed on the date and year first above written.

WITNESS:



LANDLORD:

HUDSON ASSOCIATES LIMITED PARTNERSHIP

By: HUDSON REALTY, INC.
GENERAL PARTNER

By: 
Sanford Lipstein
Resident

TENANT:

LARGE APPAREL OF NEW JERSEY, INC.

By: 

Ethan Shapiro
Chief Executive Officer

GUARANTOR:


Urban Brands, Inc.

By: 

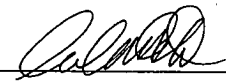
Ethan Shapiro
Chief Executive Officer

LEGAL


ATTEST:


(CORPORATE SEAL)

ATTEST:


(CORPORATE SEAL)

SIXTH AMENDMENT OF LEASE
EXTENSION

THIS SIXTH AMENDMENT OF LEASE (the "Sixth Amendment") is made this 28th day of MAY, 2010 by and between HUDSON ASSOCIATES LIMITED PARTNERSHIP ("Landlord"), and LARGE APPAREL OF NEW JERSEY, INC., t/a ASHLEY STEWART WOMAN SIZES 14-26("Tenant").

WITNESSETH:

WHEREAS, by lease dated September 5, 1997, as amended by (i) First Amendment of Lease dated August 18, 1999, (ii) Second Amendment of Lease dated July 19, 2000, (iii) Second Amendment of Lease dated November 8, 2000, (iii) Third Amendment of Lease dated September 11, 2002, (iv) Fourth Amendment of Lease dated December 9, 2004, and (v) Fifth Amendment of Lease dated October 26, 2007 (said lease, as amended, collectively the "Lease"), Landlord leased to Tenant all those certain premises owned by Landlord situated in the Hudson Mall, located in Jersey City, New Jersey known and designated as Store Number 0046 (the "Premises") for a term of years upon certain terms and conditions as set forth in the Lease; and

WHEREAS, Urban Brands, Inc. has assumed the obligations of Ashley Stewart, Ltd. as Guarantor of Tenant's obligations under the Lease as acknowledged to by virtue of its signature below as Guarantor; and,

WHEREAS, the Lease expired by its terms on January 31, 2010 but Tenant has continued to occupy the Premises; and

WHEREAS, Landlord and Tenant desire to reinstate the Lease and modify and extend the provisions of the Lease upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the aforesaid, and of the sum of One (\$1.00) Dollar, by each to the other in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, covenant and agree with each other, as follows:

1. Terms not defined herein shall have the meanings ascribed to them in the Lease, unless otherwise modified herein.

2. The Lease is hereby reinstated retroactively effective **February 1, 2010** and the Term of the Lease is hereby extended for two (2) years, commencing February 1, 2010



and continuing through January 31, 2012 (hereinafter the "**Sixth Extension Period**").

3. During the Sixth Extension Period, Tenant shall pay, in lieu of annual Minimum Rent and all Additional Rent and charges (excluding utilities and trash charges), an annual amount equal to Fifty-Five Thousand and 00/100 Dollars (\$55,000.00), payable in equal monthly installment payments of Four Thousand Five Hundred Eighty-Three and 33/100 Dollars (\$4,583.33).

4. Additionally, Tenant shall continue to pay Percentage Rent in accordance with the terms, covenants and conditions of the Lease; however, during the Sixth Extension Period, Tenant's Percentage Rent Break Point shall be calculated as follows: Eight percent (8%) of the amount by which annual Gross Sales exceed a Breakpoint of Six Hundred Twenty-Five Thousand and 00/100 Dollars (\$625,000.00).

5. Notwithstanding anything contained in the Lease to the contrary, in the event Landlord desires to lease the Premises to another operator, Landlord will notify Tenant ("**Landlord's Notice**") and will afford Tenant the opportunity to continue to occupy and lease the Premises on terms and conditions specified by Landlord. Tenant shall advise Landlord within ten (10) days after receipt of such notice whether Tenant wishes to continue to occupy and lease the Premises designated on the terms specified. If Tenant timely advises Landlord in writing of its desire to continue to occupy and lease the Premises based on the new terms, Landlord will promptly forward to Tenant a lease corresponding with the terms specified by Landlord and Tenant shall execute such lease within twenty (20) days after receipt thereof. If, for any reason, Tenant fails to notify Landlord of its desire to continue to occupy and lease the Premises on the designated terms, or having so notified Landlord, fails to execute the lease therefor, in each case within the time period set forth above, then the Lease shall be terminated thirty (30) days after delivery of Landlord's Notice ("**Early Termination Date**") and the termination of the Lease pursuant to this Sixth Amendment shall in no event release Tenant from any of its obligations applicable to the period prior to and including the Early Termination Date. Tenant shall fulfill all covenants and shall remain liable for all obligations under the Lease applicable to the period prior to and including the Early Termination Date. In the event the Early Termination Date is a date other than the last day of any relevant time period set

forth in the Lease, any amounts due and payable with respect to such time periods shall be appropriately prorated and such amounts shall be due and payable within thirty (30) days after the Early Termination Date.

6. Tenant hereby acknowledges that Tenant is presently occupying the Premises.

7. Except as provided in Paragraph 5 above, the term of the Lease shall expire absolutely on **January 31, 2012** without the necessity for any notice whatsoever. On or before **January 31, 2012**, Tenant shall vacate and surrender possession of the Premises to Landlord in accordance with the provisions of the Lease. There shall be no holding over of the Premises by Tenant after **January 31, 2012**, unless Landlord and Tenant execute an agreement which provides for Tenant's occupancy after **January 31, 2012**.

8. Except as herein provided to the contrary, all of the terms, covenants, conditions and stipulations contained in the Lease, whether or not deemed personal covenants, shall be continued with like effect and to all legal intents and purposes as if included in a new lease containing identical terms, covenants, conditions and stipulations as in the Lease except as herein modified, until the time of expiration of the term, and the same is hereby ratified and confirmed.

9. This Sixth Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

10. The Guarantor hereby acknowledges and agrees to the terms of this Sixth Amendment as set forth above.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Amendment to
be duly executed on the date and year first above written.

LANDLORD:

WITNESS:

HUDSON ASSOCIATES LIMITED PARTNERSHIP
By: HUDSON REALTY, INC.
GENERAL PARTNER

John A. Pizzini

By: *Philip I. Weinberg*
~~Sanford Epstein~~
Vice President

TENANT:

LARGE APPAREL OF NEW JERSEY, INC.

By: *Laura Weil*

Name: LAURA WEIL

Title: CEO

Attest: *Michael Abate*

Name: MICHAEL ABATE

Title: VP / TREASURER

(CORPORATE SEAL)

GUARANTOR:

URBAN BRANDS, INC.

By: *Laura Weil*

Name: LAURA WEIL

Title: CEO

Attest: *Michael Abate*

Name: MICHAEL ABATE

Title: VP / TREASURER

(CORPORATE SEAL)

FORBEARANCE AGREEMENT AND RELEASE

THIS FORBEARANCE AGREEMENT AND RELEASE (the "Agreement") made this 24th day of ~~April~~^{May}, 2010, by and between **CHERRY HILL CENTER, LLC**, a Maryland limited liability company ("**CH LLC**"), **HUDSON ASSOCIATES LIMITED PARTNERSHIP**, a New Jersey limited partnership ("**Hudson LP**"), **PR GALLERY I LIMITED PARTNERSHIP**, a Pennsylvania limited partnership ("**Gallery LP**") and **PR PRINCE GEORGES PLAZA LLC**, a Delaware corporation ("**PR Plaza LP**") collectively with an address c/o PREIT Services, LLC, 200 S. Broad Street, 3rd Floor, Philadelphia, Pennsylvania 19102 (**CH LLC**, **Hudson LP**, **Gallery LP** and **PR Plaza LP**, collectively referred to as "**Landlord**"), **LARGE APPAREL OF PENNSYLVANIA, INC.**, a Pennsylvania corporation ("**LA Pennsylvania**"), **LARGE APPAREL OF NEW JERSEY INC.**, a New Jersey corporation ("**LA New Jersey**") and **LARGE APPAREL OF MARYLAND, INC.**, a Maryland corporation ("**LA Maryland**") collectively with a business address of 100 Metro Way, Secaucus, New Jersey 07049 (**LA Pennsylvania**, **LA New Jersey** and **LA Maryland**, collectively referred to as the "**Tenants**") and **ASHLEY STEWART INC.**, a New Jersey corporation with a business address of 100 Metro Way, Secaucus, New Jersey 07049 ("**Guarantor**").

WITNESSETH THAT

WHEREAS, Hudson LP and LA New Jersey entered into a certain lease dated September 5, 1997, as amended by a certain First Amendment of Lease dated August 18, 1999, a Second Amendment of Lease dated November 8, 2000, a Third Amendment of Lease dated September 11, 2002, a Fourth Amendment of Lease dated December 9, 2004 and a Fifth Amendment of Lease dated October 26, 2007 (collectively, the "**Hudson Lease**") for certain commercial property located at Hudson Mall, Store No. 46 with an address of 701 Route 440, Jersey City, New Jersey, as more particularly described in the Hudson Lease (the "**Hudson Premises**");

WHEREAS, CH LLC and LA New Jersey entered into a certain lease dated September 26, 2000 (the "**Cherry Hill Lease**") for certain commercial property located at the Cherry Hill Mall with an address of Route 38 West, Cherry Hill New Jersey, as more particularly described in the Cherry Hill Lease (the "**Cherry Hill Premises**");

WHEREAS, Gallery LP's predecessor in interest and LA Pennsylvania's predecessor in interest entered into a certain lease dated November 9, 1999, as amended by a certain First Amendment to Lease dated February 21, 2001 (collectively, the "**Gallery Lease**") for certain commercial property containing 3,169 square feet of commercial space located in the Gallery at Market East, Philadelphia, Pennsylvania, as more particularly described in the Gallery Lease (the "**Gallery Premises**");

WHEREAS, PR Plaza LP and LA Maryland entered into a certain lease dated March 2, 2007, as amended by a certain First Amendment of Lease dated March 2, 2007 (collectively, the "**Prince Georges Lease**") for certain commercial property located in The Mall at Prince Georges,

Store Number 1108, with an address of 3500 East West Highway, Hyattsville, Maryland, as more particularly described in the Prince Georges Lease (the "Prince Gorges Premises");

WHEREAS, the Hudson Lease, the Cherry Hill Lease, the Gallery Lease and the Prince Georges Lease are sometimes hereinafter referred to as the "Leases";

WHEREAS, Guarantor executed a certain guaranty agreement dated September 25, 1997 (the "Hudson Guaranty"), a certain guaranty dated September 26, 2000 (the "Cherry Hill Guaranty"), a certain guaranty dated May 20, 2010 (the "Gallery Guaranty") and a certain guaranty dated March 2, 2007 (the "Prince Georges Guaranty"), (collectively, the "Guaranty Agreements") whereby Guarantor agreed to Guaranty all of Tenants' obligations under the Leases;

WHEREAS, the Tenants have defaulted under the Leases, and Guarantor has defaulted under the Guaranty Agreements, for failing to pay all Rent, Additional Rent and other charges due under the Leases (the "Defaults");

WHEREAS, as a result of the Defaults, CH LLC filed suit against LA New Jersey and Guarantor in the Superior Court of New Jersey, Camden County, Law Division, at Docket No. L-1026-10 (the "Cherry Hill Suit") seeking a judgment against LA New Jersey and Guarantor for monetary damages in the amount of One Hundred Thousand Seven Hundred Five and 79/100 Dollars (\$100,705.79), plus ongoing Rent, Additional Rent and other charges due under the Hudson Lease and legal fees and costs incurred by CH LLC;

WHEREAS, Tenants and Guarantor have requested that Landlord forbear from prosecuting the Cherry Hill Suit and further exercising Landlord's rights and remedies under the Leases and allow Tenants to cure the Defaults, and Landlord has agreed to forbear from prosecuting the Cherry Hill Suit and further exercising Landlord's rights and remedies under the Leases and allow Tenants to cure the Defaults so long as Tenants and Guarantor comply with all of the terms set forth herein.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter contained and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by reference. All capitalized terms not defined in this Agreement shall have the meanings ascribed to them in the Leases.

2. **Tenants and Guarantor Acknowledgements.** Tenants and Guarantor hereby acknowledge and agree as follows:

a. Tenants have defaulted under the Leases, and Guarantor has defaulted under the Guaranty Agreements by failing to timely pay all Rent, Additional Rent and other charges due to Landlord pursuant to the Leases;

b. Tenants and Guarantor are indebted to the Landlord in the amount of Four Hundred Forty Six Thousand Three Hundred Forty Seven and 79/100 Dollars (\$446,347.79) (the "Debt"), representing the following:

- i. unpaid Minimum Rent, Additional Rent and other charges billed and due under the Cherry Hill Lease through April 1, 2010 in the amount of One Hundred Fourteen Thousand Seven Hundred Seventy Six Dollars (\$114,776.00);
- ii. unpaid Minimum Rent, Additional Rent and other charges billed and due under the Hudson Lease through April 1, 2010 in the amount of Twenty Four Thousand Three Hundred Twenty Seven and 22/100 Dollars (\$24,327.22);
- iii. unpaid Minimum Rent, Additional Rent and other charges billed and due under the Gallery Lease through April 1, 2010 in the amount of Thirty Two Thousand Five Hundred Eighteen Dollars (\$32,518.00);
- iv. unpaid Minimum Rent, Additional Rent and other charges billed and due under the Prince Georges Lease through April 1, 2010 in the amount of Two Hundred Sixty Nine Thousand Seven Hundred Twenty Six and 57/100 Dollars (\$269,726.57);
- v. legal fees and costs incurred by Landlord as a result of the Defaults in the amount of Five Thousand Dollars (\$5,000.00).

c. Tenants and Guarantor have no defenses, counterclaims or offsets to the Debt, the Defaults, the Cherry Hill Suit or the Landlord's exercise of its remedies against Tenants; and

d. Landlord is not in default under the Leases.

3. **Tenants Payments.** Tenants shall pay the Debt, and the April 2010, monthly installment of Rent, Additional Rent and other charges due under all of the Leases, to Landlord pursuant to the following schedule:

a. Tenants shall timely pay the April 2010, monthly installment of Rent, Additional Rent and other charges due under all of the Leases pursuant to the terms of the Leases.

b. Tenants shall pay to Landlord the sum of One Hundred Thousand Dollars (\$100,000.00) on or before April 9, 2010;

c. Tenants shall pay to Landlord the sum of One Hundred Thousand Dollars (\$100,000.00) on or before April 15, 2010;

d. Tenants shall pay to Landlord the sum of Seventy Five Thousand Dollars (\$75,000.00) on or before May 15, 2010.

e. Tenants shall pay to Landlord the sum of Seventy Five Thousand Dollars (\$75,000.00) on or before June 15, 2010.

f. Tenants shall pay to Landlord the sum of Thirty Thousand Two Hundred Sixty Four and 79/100 Dollars (\$30,264.79) on or before July 15, 2010.

g. All payments due pursuant to this Agreement shall be tendered to Landlord at the following address: PREIT Services LLC, 200 S. Broad Street, 3rd Floor, Philadelphia, Pennsylvania 19102.

h. All payments due to Landlord pursuant to subsections a through e above shall be applied against the Debt pursuant to the schedule attached hereto as Exhibit "A".

i. The payments required by subsections a through e above shall be paid to Landlord in addition to all Rent, Additional Rent and other charges due to Landlord pursuant to the terms of all of the Leases, which shall be paid at the time and in the manner set forth in the Leases.

j. **TENANTS AND GUARANTOR ACKNOWLEDGE AND UNDERSTAND THAT TIME IS OF THE ESSENCE WITH RESPECT TO ALL PAYMENTS DUE UNDER THIS AGREEMENT.**

4. **Landlord Recapture.**

a. Landlord shall have the right, for any reason or for no reason, to terminate all or less than all of the Leases upon sixty (60) days written notice (the "Termination Notice") to the Tenant (the "Terminated Tenant") whose Lease is being terminated (the "Terminated Lease"). Tenants shall have fifteen (15) days from the date of any Termination Notice to cure all of the Defaults by paying the outstanding balance of the Debt, plus all Rent, Additional Rent and all other charges due pursuant to all of the Leases that have accrued up through the date of the Termination Notice (collectively, the "Cure Payments"). If Tenants timely cure the Defaults by paying to Landlord the Cure Payments, the Termination Notice shall be withdrawn by Landlord. Landlord shall not be limited to one exercise of its rights under this Section 4a and shall be permitted to exercise such rights until the Debt has been paid in full.


b. In the event the Tenants do not cure the Defaults pursuant to Section 4a above, each Terminated Tenant must vacate its respective Premises within sixty (60) days of the date of the Termination Notice, leaving such Premises being vacated in the condition as required by the applicable Terminated Lease. If any such Terminated Tenant fails to vacate its Premises, Landlord may immediately confess judgment for possession of such Premises upon three (3) days written notice the applicable Terminated Tenant.

c. In the event Landlord exercises its right to terminate any of the Leases subject to this Agreement and each Terminated Tenant timely vacates its respective Premises, Tenants shall be obligated to pay to Landlord the remaining balance of the Debt, plus all accrued Rent, Additional Rent and other charges due to Landlord under each Terminated Lease.

5. **Litigation.** No later than ten (10) days after the execution of this Agreement and Landlord's receipt of the payment required by subsection 3a above, Landlord, through counsel, shall file a praecipe to mark the Cherry Hill Suit "withdrawn without prejudice".

6. **No Cure.** The execution of this Agreement by Landlord shall not cure the Defaults. Tenants and Guarantor acknowledge that the Defaults shall not be cured unless and until Tenants shall have complied with all of their obligations under this Agreement, including the timely payment of all sums required by Section 3 above.

7. **Confession of Judgment.** LA PENNSYLVANIA HEREBY KNOWINGLY, INTENTIONALLY, VOLUNTARILY AND IRREVOCABLY AND, ON THE ADVICE OF SEPARATE COUNSEL, REAFFIRMS, RATIFIES, REINSTATES, REMAKES AND AGREES TO BE BOUND BY THE CONFESSION OF JUDGMENT REMEDIES SET FORTH IN THE GALLERY LEASE.

Initials of Authorized Signatory of LA PENNSYLVANIA 

8. **Guarantor Acknowledgment.** Guarantor, intending to be legally bound, acknowledges that it is the guarantor of the Leases referenced above, that it has reviewed this Agreement and that Guarantor guaranties all of Tenants' obligations under the Leases and this Agreement and shall re-execute the Guaranty Agreement attached hereto as Exhibit "B" for the Gallery Lease. The undersigned hereby reaffirms and ratifies all of its obligations as Guarantor of the Leases, including, without limitation, the confession of judgment provision restated and ratified in Section 7 above.

9. **Forbearance.** Landlord shall forbear from prosecuting the Cherry Hill Suit and further exercising Landlord's rights and remedies under the Leases and, subject to Section 4 of this Agreement, shall permit Tenants to remain in possession of and to operate their businesses within the Premises so long as Tenants comply fully with their obligations under the Leases and this Agreement, including, without limitation the obligation to pay the Landlord the amounts set forth in Section 3 above when due. If Tenants shall fail to perform any of their obligations under the Leases or this Agreement when such performance is due, Landlord shall have the automatic right, without further notice to or opportunity to cure by Tenants, to exercise all of its rights and remedies under the Leases and this Agreement, at law or in equity, without further notice of default and such default may be deemed non-curable at Landlord's discretion.

10. **Release.** Tenants and Guarantor, on behalf of themselves and their representatives, affiliates, parent companies (direct or indirect), subsidiaries, predecessors, successors, shareholders,

employees, officers, directors, agents, attorneys, insurers, and assigns, hereby forever and fully release, acquit and discharge Landlord, including their representatives, affiliates, members, parent companies (direct or indirect), subsidiaries, predecessors, successors, employees, officers, directors, agents, attorneys, insurers, and assigns, and each of them, and any and all other persons, firms, corporations, and entities, their heirs, executors, administrators, successors, assigns, and employees, whether named herein or not, from all claims, demands, and causes of action, known or unknown, from the beginning of time up to and including the date of this Agreement

11. **Security Deposit.** Tenants acknowledge that Landlord is not holding as funds a security deposit pursuant to any of the Leases.

12. **Notices.** All notices by either party to the other shall be made by depositing such notice in the certified mail of the United States of America, and such notice shall be deemed to have been served on the date of such depositing in the Certified Mail unless otherwise provided, or via overnight delivery. All notices shall be addressed to:

If to Landlord:

Cherry Hill Center, LLC
Hudson Associates Limited Partnership
PR Gallery I Limited Partnership
PR Prince Georges Plaza LLC
c/o PREIT Services, LLC
200 S. Board Street, 3rd Floor
Philadelphia, Pennsylvania 19102

With a copy to:
Peter Lesser, Esquire
Sirlin, Gallogly & Lesser, P.C.
1529 Walnut Street, Suite 600
Philadelphia, PA 19102

If to Tenants:

Large Apparel of Pennsylvania, Inc.
100 Metro Way
Secaucus, New Jersey 07049

Large Apparel of New Jersey Inc.
100 Metro Way
Secaucus, New Jersey 07049

Large Apparel of Maryland, Inc.
100 Metro Way
Secaucus, New Jersey 07049

If to Guarantor:

Ashley Stewart Inc.
100 Metro Way
Secaucus, New Jersey 07049

Notices may be given by any attorney for the Landlord, Tenants or Guarantor.

13. **Further Assurances.** Landlord, Tenants and Guarantor shall execute such other and further agreements or instruments necessary or appropriate in order to carry out the terms of this Agreement.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

15. **Miscellaneous.**

(a) Unless the context otherwise specifies or requires, all the terms used in this Agreement shall have the meaning specified in the Leases, such definitions to be applicable equally to the singular and plural forms of such terms and to all genders.

(b) Landlord, Tenants and Guarantor hereby acknowledge receipt of a copy of this Agreement before signing it and understand that the provisions of this Agreement are contractual and not mere recitals. Landlord, Tenants and Guarantor have read the foregoing Agreement. Landlord, Tenants and Guarantor represent that they have relied upon the legal advice of their attorneys and/or representatives who are the attorneys and/or representatives of their own choice, and that the terms of this Agreement have been explained to them by their attorneys and/or representatives and are fully understood.

(c) This Agreement only shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania and the Leases shall continue to be governed in accordance with the governing law provisions contained in each Lease.

(d) The person executing this Agreement on Landlord's, Tenants' and Guarantor's behalf warrant that he/she is duly authorized to so act.

(e) Any oral agreements, letters of intent, proposals, representations and warranties that are in conflict with any of the terms of this Agreement shall be without force and effect.

(f) Landlord, Tenants and Guarantor and counsel and/or representative for each has reviewed and revised this Agreement and, accordingly, no party shall be deemed the drafter of this Agreement.

(g) In the event of any action or proceeding brought by any party against any other party for breach of any portion of this Agreement, the prevailing party shall be entitled to recover, in addition to any other remedies, its actual attorneys' fees in such action or proceeding, including any appeal.

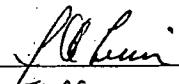
Signature page to follow

IN WITNESS WHEREOF, Landlord, Tenants and Guarantor have signed and dated this Forbearance Agreement and Release as of the day and year first above written.

LANDLORD:

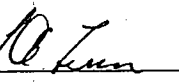
CHERRY HILL CENTER, LLC,

By: PREIT Services, LLC, its authorized agent

By: 
Name: Jeffrey A. Linn
Title: Executive Vice President


HUDSON ASSOCIATES LIMITED PARTNERSHIP,

By: PREIT-Rubin, Inc., its authorized agent

By: 
Name: Jeffrey A. Linn
Title: Executive Vice President

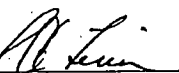
PR PRINCE GEORGES PLAZA LLC

By: PREIT Services LLC, its authorized agent

By: 
Name: Jeffrey A. Linn
Title: Executive Vice President

PR GALLERY I LIMITED PARTNERSHIP

By: PREIT Services LLC, its authorized agent


By: 
Name: Jeffrey A. Linn
Title: Executive Vice President

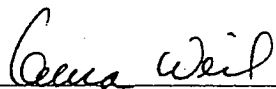
Signatures continued on next page

Signatures continued from previous page


TENANTS:

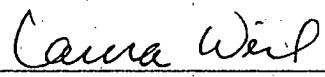
LARGE APPAREL OF PENNSYLVANIA, INC


Attest

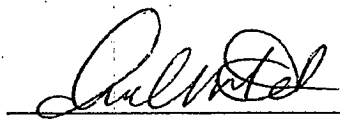
By: 
Name: Laura Weil
Title: Chief Executive Officer

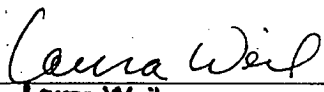
LARGE APPAREL OF NEW JERSEY, INC


Attest

By: 
Name: Laura Weil
Title: Chief Executive Officer

LARGE APPAREL OF MARYLAND, INC


Attest

By: 
Name: Laura Weil
Title: Chief Executive Officer

GUARANTOR:

ASHLEY STEWART INC.


Attest

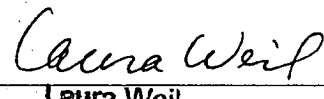
By: 
Name: Laura Weil
Title: Chief Executive Officer

EXHIBIT A
DEBT SCHEDULE

Urban Brands/Ashley Stewart
Repayment Plan Allocation

| | Balance as of 3/31/2010 | March Charges (a) | Remaining Balance excluding April Rent | Application of remainder of first payment | April Charges (b) | Balance as of 4/15/10 Payment | Application of Second Payment (\$1000) | Remaining Balance | Application of Third Payment (\$75K) | Remaining Balance | Application of Fourth Payment (\$75K) | Final Payment |
|-------------------------|----------------------------|----------------------|---|--|----------------------|----------------------------------|---|----------------------|---|----------------------|--|------------------|
| Cherry Hill | 114,778.00 | 14,548.36 | 85,479.28 | 9,377.01 | 14,548.36 | 76,102.27 | 27.6% | 48,455.34 | 20,735.20 | 27,720.14 | 20,735.20 | 6,984.94 |
| Galleria | 32,518.00 | 15,828.54 | 884.92 | 94.88 | 15,828.54 | 770.04 | 0.3% | 490.29 | 209.81 | 280.49 | 209.81 | 70.68 |
| Hudson | 24,327.22 | 4,711.33 | 14,904.56 | 1,935.02 | 4,711.33 | 13,269.54 | 4.8% | 8,448.90 | 3,815.48 | 4,833.41 | 3,815.48 | 1,217.83 |
| Mail at PG | 269,726.57 | 30,896.77 | 207,933.03 | 22,810.09 | 30,896.77 | 185,122.84 | 67.3% | 117,870.26 | 50,439.61 | 67,430.76 | 50,439.61 | 18,991.35 |
| | 441,347.79 | 66,083.00 | 306,181.79 | 33,817.00 | | 275,264.79 | | 175,264.79 | 75,000.00 | 100,264.79 | 75,000.00 | 25,264.79 |
| First Payment | | 100,000 | | | | | | | | | | |
| Remaining to be applied | | 33,817 | | | | | | | | | | |

(a) to be paid by 4/15/10
(b) to be paid on time

April 4, 2008

Ashley Stewart Woman
c/o Large Apparel of New Jersey
100 Metro Way
Attn: Jeffrey Klein, Esquire
Secaucus NJ 07094

Re: Ashley Stewart Woman Sizes 14 and Lease dated 9/5/1997 between
Hudson Mall Associates, as Landlord, and Ashley Stewart Woman, as
Tenant, concerning premises known as Hudson Mall.

Dear Sir/Madam:

This letter shall constitute notice to you that Hudson Mall Associates has changed the remittance address in the above captioned lease and all rents, additional rent and all other monetary obligations to Hudson Mall Associates thereunder (collectively, "**Rent**") and hereafter shall be delivered to the following address:

Make check payable and mail to:

**Hudson Mall Associates
F7119
P.O. Box 70160
Philadelphia, PA 19176-0160**

If by overnight or special courier:

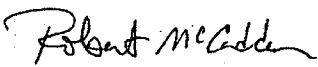
**Firsttrust Bank
Attn: Lockbox Area, 2nd Floor
1931 Cottman Avenue
Philadelphia, PA 19111
F/B/O Hudson Mall Associates**

The undersigned hereby irrevocably instructs and authorizes you to disregard any and all previous notices sent to you in connection with Rent. The instructions set forth herein are not subject to modification in any manner, but may be changed only by written notice to you.

Any questions regarding this notice may be directed to General Manager Steve Trivedi at (201)-432-0119.

Sincerely,
Hudson Mall Associates

By: PREIT-Rubin, Inc., Agent

By: 
Robert F. McCadden
Executive Vice President

~IMPORTANT INFORMATION~

Hudson Mall Associates

The tax identification number for Hudson Mall Associates is 23-2204920. A W-9 is enclosed for your records.

If your agreement requires submission of sales data, all such reports should include the mall name and store number and be sent to:

If by email: SalesatHudson@preit.com

If by mail: Hudson Mall Management Office
Attn: Bookkeeper
701 Route 440
Jersey City, NJ 07304

If by fax: 201-432-4731
Attn: Bookkeeper

All notices to the Landlord should be sent to both the Preit Home Office and the Property General Manager as follows:

Preit Services, LLC
Attn: General Counsel
200 South Broad Street, 3rd Floor
Philadelphia, PA 19102

Hudson Mall Management Office
Attn: General Manager
701 Route 440
Jersey City, NJ 07304
Phone: 201-333-4922

**Request for Taxpayer
Identification Number and Certification**

Give form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

| | |
|---|---|
| Name (as shown on your income tax return) PREIT-Rubin Inc. | |
| Business name, if different from above Hudson Mall | |
| Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶ | |
| Address (number, street, and apt. or suite no.) 200 SOUTH BROAD STREET, FLOOR 3. | Requester's name and address (optional) |
| City, state, and ZIP code PHILADELPHIA, PA 19102 | |
| List account number(s) here (optional) | |

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

| |
|---|
| Social security number |
| or |
| Employer identification number 23 : 2204920 |

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

| | | |
|-----------|---|-----------------------|
| Sign Here | Signature of U.S. person ▶ <i>J. Hornes</i> | Date ▶ 3-21-08 |
|-----------|---|-----------------------|

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

Jeffrey Kurtzman
Direct Dial: (215) 569-4493
Email: jkurtzma@klehr.com

September 28, 2010

BMC Group, Inc.
Attn: Urban Brands Claims Processing
P.O. Box 3020
Chanhassen, MN 55317-3020

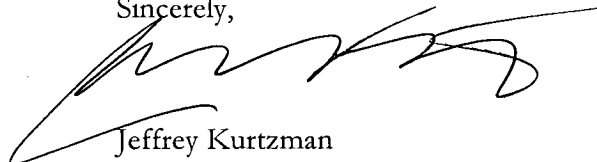
Re: Urban Brands, Inc.
Case No. 13005 (KJC) Chapter 11

Dear Sir or Madam:

Enclosed herewith for filing is an original and one copy of the proof of claim of Hudson Associates Limited Partnership in the above-referenced Chapter 11 case. Please return a time-stamped copy of the proof of claim in the pre-addressed stamped envelope which has been enclosed for your convenience.

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'JK', is written over the word 'Sincerely,'.

Jeffrey Kurtzman

JK/ap
Enclosures