

kept and maintained (ordinary wear and tear excepted) the Demised Premises, and shall use all reasonable precaution to prevent waste, damage or injury. Landlord shall not be responsible for either the maintenance of the Demised Premises or the construction of improvements thereon; provided, however, that Landlord shall at its sole cost and expense complete the demolition of the existing improvements on the Demised Premises in accordance with the provisions of the schedule attached hereto as Exhibit "B" hereof which schedule is by this reference incorporated herein and made a part hereof.

(c) Tenant may, at its option and at its own cost and expense, at any time and from time to time, make such alterations, changes, replacements, improvements and additions in and to the Demised Premises, and the buildings and improvements thereon, as it may deem desirable, including the demolition of any building(s) and improvement(s) and/or structure(s) that now or hereafter may be situate or erected on the Demised Premises.

(d) Until the expiration or sooner termination of this lease (subject, however, to the rights of the holder of any leasehold Mortgage [as hereinafter defined] to obtain a new lease as set forth herein) title to any building or buildings or improvements situate or erected on the Demised Premises and the building equipment and other items installed thereon and any alteration, change or addition thereto shall remain solely in Tenant; and Tenant alone shall be entitled to deduct all depreciation on Tenant's income tax returns for any such building or buildings, building equipment and/or other items, improvements, additions, changes or alterations.

(e) On the last day or sooner termination of the term of this lease, Tenant shall quit and surrender the Demised Premises, and the buildings and permanent improvements then thereon, broom clean and in good condition and repair (ordinary wear and tear excepted); provided, however, that Tenant shall have the right to execute as sublessor space leases which have been approved by Landlord for building space in the improvements located on the Demised Premises for a term extending beyond the termination of the term of this lease, and in the event Tenant has in fact executed any such space leases as approved by Lessor, the surrender of the premises by Tenant upon the termination hereof shall be subject to the terms of any such space leases. The foregoing notwithstanding, in no event shall Tenant collect in advance any rental due for the term of any sublease extending beyond the term hereof.

SECTION 8. Requirements of Public Authority: (a) During the term of this lease, Tenant shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the Federal, State, County, Town, Village and City Governments and all other governmental authorities affecting the Demised Premises or appurtenances there- to or any part thereof whether the same are in force at the commencement of the term of this lease or may in the future be passed, enacted or directed, and Tenant shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims and demands, including reasonable counsel fees, that may in any manner arise out of or be imposed because of the failure of Tenant to comply with the covenants of this Section 8.

(b) Tenant shall have the right to contest by appropriate legal proceedings diligently conducted in good faith, in the name of the Tenant, or Landlord (if legally required), or both (if legally required), without cost or expense to Landlord, the validity or application of any law,

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