

Permit No. Non-SJTA

OUTDOOR ADVERTISING LEASE AND MANAGEMENT AGREEMENT

THIS OUTDOOR ADVERTISING LEASE AND MANAGEMENT AGREEMENT, (the "Agreement"), made this 22nd day of August, 2006, by and between SOUTH JERSEY TRANSPORTATION AUTHORITY, a public body corporate and politic of the State of New Jersey, having its principal offices at Farley Service Plaza and Garden State Outdoor, LLC having its principal offices located at 1125 Atlantic Avenue, Suite 712, Atlantic City, New Jersey 08401 hereinafter referred to as the Tenant, ("Tenant").

WITNESSETH:

WHEREAS, the SJTA is the governmental entity which owns and operates the Atlantic City Expressway (the "Expressway") and has control of leasing of the Expressway right-of-ways which are to be used for the placement of outdoor advertising; and

WHEREAS, Tenant wishes to enter into an agreement with the SJTA, wherein Tenant would manage an outdoor advertising structure ("Structure") on the Expressway right-of-way at the location as hereinafter set forth; and

WHEREAS, Tenant currently maintains a NJ DOT License on private property that is showing to the Expressway and is willing to relocate the NJ DOT License to SJTA property/right-of-way on the condition that should this Agreement be terminated for any reason or is not renewed under terms satisfactory to the Tenant, the Tenant shall have the right to relocate the NJ DOT License to private property; and

WHEREAS, the SJTA finds that entering into such an agreement with Tenant would be beneficial to the SJTA.

NOW THEREFORE, it is agreed between the parties as follows:

1. **Recitals.** The recitals set forth above are incorporated by reference as if fully set forth herein.

2. **Outdoor Advertising Lease and Management.** Tenant shall, at its sole cost and expense, construct, maintain, sell, operate and manage a Structure on property owned by the SJTA as set forth in paragraph 3 below. The Structure shall consist of a single or multiple pole structure with specifications as set forth on Schedule A.

Tenant shall evaluate potential sites for the Structure and develop and distribute Offering Memorandums which solicit various outdoor advertising companies to purchase long term license agreements on existing locations or locations to be developed. SJTA shall maintain the absolute right to approve or disapprove the contents of the offering, the locations and the development of the Structure.

The Tenant shall present all offers for SJTA review and recommendation. SJTA shall have the sole discretion to select the proposal that it deems to be in the best interests of the agency.

3. SJTA Premises. The exact location for the placement of the Structure shall be at Mile Post 0.0 of the Expressway (the "Premises"). Tenant shall have the right to access the Premises in accordance with the terms of right of entry and egress detailed in this agreement and for the sole purposes described herein. Tenant accepts the Premises in its present condition and acknowledges that it has inspected the same and is fully cognizant of its present conditions, including but not limited to, structural requirements and utilities.

4. Term and Commencement of Rent and or Monetization Payment.

A. The term of this Agreement shall be for a period of 15 years from the date of the execution of this Agreement unless terminated earlier in accordance with the provisions of this Agreement (the "Term").

B. Rental or lease payments, as set forth hereinafter, shall commence on the first day after construction permits become available (the "Effective Date"), or on the first day of this Agreement, whichever is later.

5. Guaranteed Rental Fee.

A. Tenant shall pay to the SJTA, as rent for the Premises, 30% of Net Receipts as defined by gross billings minus commissions paid to recognized advertising and media placement agencies ("Guaranteed Rental Fee"). The Guaranteed Rental Fee shall be paid on a monthly basis, with the first monthly payment or pro rata portion thereof due and owing on the Effective Date, and payments due on the first day of each month thereafter.

B. SJTA and Tenant agree that the term Gross Revenue whenever used herein shall mean the total revenue generated from the sale, lease or usage of the Structure's advertising space without payment of agency commissions or brokerage fees.

6. Payments. All payments due hereunder shall be paid in lawful money of the United States of America by check made payable to the South Jersey Transportation Authority and delivered to the office of the South Jersey Transportation Authority at Box 351, Hammonton, New Jersey, 08037, or such other location as may from time-to-time be substituted therefore.

7. Late Payments. The payment of Rent shall be deemed delinquent if not received by SJTA by the end of the tenth day of each and every calendar month during the Term. Upon written notice from SJTA, all delinquent payments shall be charged a twelve percent (12%) interest rate which shall accrue against any and all delinquent payments from the date due until the date payments are received by SJTA. This provision shall not preclude SJTA from canceling this Agreement for default in the payment of Rent or from exercising any other rights contained herein or provided by law.

8. Records and Audit.

A. On the thirtieth (30th) day of each month during the Term, excluding the first month of the Term, Tenant shall submit to SJTA a statement of Gross Revenue from the Structure for the previous month. This statement shall show an itemized list of any and all advertisers and the amounts paid or due to Tenant upon which a percentage is due to the SJTA. Such statement will also include a calculation of the percentage due to the SJTA.

B. Tenant shall keep full and accurate books, records and accounts showing all of the Structure's Gross Revenues, and the SJTA shall have the right, through its representatives, agents, accountants or employees and at all reasonable times, Monday through Friday, 9:00 a.m. to 5:00 p.m., to inspect such books and records, including State of New Jersey sales tax return records. In addition, Tenant hereby agrees that all such books and records are and will be made available to the SJTA for inspection for each year of this Agreement. Tenant will provide the SJTA with a copy of all advertising contracts for the Structure within thirty (30) days of the execution of any such advertising contracts.

C. By January 30 of each year of the Term, including the year after the expiration of the Term and any extension thereof, Tenant shall provide the SJTA with complete financial statements for the previous year's business operations concerning the Structure. Such statements shall be prepared by an independent Certified Public Accountant and shall include a detailed statement of Gross Revenues along with the written opinion of the Certified Public Accountant as to whether the Gross Revenues and Rent payments have been made in accordance with the provisions of this Agreement. Should such statements show that the amount paid during the period of review is less than that which was due, Tenant shall, within fifteen (15) days, pay the additional amount to the SJTA. Should such statement show that Tenant paid the SJTA more than was due, Tenant may apply such overpayment to future Rent payments, except that if such should be the case at the end of the last month of this Agreement, the SJTA shall refund the overpayment to Tenant.

D. The SJTA reserves the right to audit Tenant's books, records, and accounts at any time for the purpose of verifying the Gross Revenue hereunder. If, as a result of such audit, it is established that Tenant has understated the Gross Revenue due the SJTA by three percent (3%) or more, Tenant shall, within fifteen (15) days pay to SJTA the costs of such audit, as well as the additional amounts shown to be payable to the SJTA by Tenant with interest thereon at twelve percent (12%) per annum from the date such fees became due and payable to the SJTA. Otherwise, the cost of the audit will be paid by the SJTA. If such audit discloses any willful or intentional inaccuracies, this Agreement, at the option of the SJTA and as a cumulative remedy, may be immediately terminated.

E. SJTA will execute periodic physical inventories of the advertising placed on its right of way and in and on its facilities. The physical audit shall include visible audits of the advertising, which will be reconciled with the sales and revenue statements for the same period of time. These audits will serve as an assessment of the performance of the Tenant to comply with the terms and conditions of this Agreement.

9. Governmental Requirements and Approvals.

A. Tenant, at its sole cost and expense, shall apply on behalf of the SJTA to obtain all necessary permits, licenses, approvals, certificates, waivers or other authorizations from all governmental authorities, if any, having jurisdiction over Tenant's operations on the Premises which may be necessary to construct, operate and maintain the Structure. Tenant shall keep same current and in full force and effect during the Term as may be required. The SJTA shall be named as the permitted on all such approvals and permits. In the event that Tenant does not obtain all necessary permits, licenses, approvals and/or waivers for the Structure within six (6) months from execution of this Agreement, Tenant shall not be permitted to place the Structure on the Expressway right-of-way and this Agreement shall be terminated; provided, however, that the SJTA, in its sole discretion, may extend this six (6) month time period based upon Tenant's diligence in pursuing said permits, licenses, approvals and/or waivers. In the event of termination under this Paragraph, the SJTA shall transfer all applicable permits to Tenant in Tenant's Name for the subject Structure as provided in paragraph 31 herein.

B. In regard to Tenant's operation or use of the Structure and Premises, tenant shall pay all taxes and all license, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Structure or operations thereof, or on the Gross Revenue or income to Tenant therefrom, and shall make all applications, reports and returns required in connection therewith.

C. Tenant shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions that may pertain or apply to Tenant's operations on the Premises.

D. Tenant shall comply with all Federal, State and local ordinances in regard to the construction and display of advertising materials. In particular the Tenant shall be compliant with the Report of the Governor's Outdoor Structure Policy and Procedure Review Task Force.

E. Tenant shall also comply fully with the SJTA Advertising Content Policy that is attached as part of this agreement.

10. Method of Operations. During the Term and any extension thereof, Tenant shall conduct its business with regard to the Structure as provided in this Agreement, including the following operating conditions:

A. Installation or changing of the outdoor advertising display ("Display") by Tenant, its contractors or subcontractors shall be performed under the direct supervision of Tenant and is subject to the SJTA's Rules and Regulations, N.J.A.C. 19, et seq., and prior contact and coordination with the applicable SJTA personnel.

B. Tenant shall furnish advertising services on a fair, reasonable and nondiscriminatory basis.

C. All advertising installed by Tenant shall be subject to approval by the SJTA. The SJTA reserves the right to reject any advertising deemed to be against the public interest or

unsafe to the motoring public, and to require that Tenant remove the same. The Tenant shall become familiar with and enforce the SJTA Advertising Content Policy to the best of its ability.

D. SJTA grants to the Tenant subject to its rules the right of duly authorized, trained and identified employees of the Tenant or its Subcontractors to enter into and on the property of SJTA for the purpose of inspecting, constructing, maintaining or installing the Structure, Display and materials. Employees of the Tenant or its Subcontractors working in or around SJTA property shall wear and use safety equipment including hardhats, protective clothing, protective eyewear, vests and other required safety gear. SJTA shall provide Contractor Identification Cards to those representatives of the Tenant who require access to SJTA property.

E. SJTA will require the Tenant to develop annual Sales Plans which detail how the Tenant intends to maximize revenues from the Structure on the SJTA's property. These plans will be presented annually to SJTA for its review.

F. SJTA will annually review the rates the Tenant charges for the Structure on its property to ensure that the Tenant is receiving the maximum amount of revenue possible for the Structure.

G. SJTA expects that the Tenant will update the Structure covered under this Agreement to be industry standard and that the Tenant will utilize new technologies that enhance the value of the Structure.

H. Tenant shall identify and evaluate all existing locations for their value. The Tenant shall use industry best practice to secure the optimal revenue return from each location.

11. Insurance.

A. Tenant shall provide, pay for and maintain with companies, reasonably satisfactory to the SJTA, the types of insurance described herein. All insurance shall be from responsible insurance companies eligible to do business in the State of New Jersey, and carrying an A.M. Best rating of A- or better. SJTA will be held harmless from all litigation by the Tenant as a result of injury or accidents resulting from its activities in regard to this Agreement.

B. The insurance coverage and limits required of Tenant under this Agreement are designated to meet the minimum requirements of the SJTA. They are not designed as a recommended insurance program for Tenant. Tenant alone shall be responsible for the sufficiency of its own insurance program. As to any question Tenant has concerning its exposure to loss under this Agreement or the possible insurance coverage needed therefore, it should seek professional assistance. If the general liability required herein is to be issued or renewed on a claims made Form as opposed to the "occurrence" form, the retroactive date for coverage shall be no later than the commencement date of the occupancy or operations of Tenant and shall provide that in the event of cancellation or non-renewal, the discovery period for insurance claims (tail coverage) shall be unlimited.

C. All of the required insurance coverage shall be issued as required by law and shall be endorsed where necessary to comply with the minimum requirements contained herein. Renewal certificates of insurance on the SJTA's form shall be provided to the SJTA thirty (30)

days prior to expiration of current coverage. Should at any time Tenant not maintain the insurance coverage required, the SJTA may terminate or suspend this Agreement if such coverage is not effective within thirty (30) days after Tenant receives notice from the SJTA that the required coverage had not been maintained.

D. The following are the insurance requirements and limits that shall be maintained by Tenant:

1. Workers' Compensation: New Jersey Statutory Requirements.
2. Employer's Liability Insurance shall be maintained by Tenant for all employees. The limits of coverage shall not be less than:

\$500,000 each accident for bodily injury by accident;

\$500,000 each employee for bodily injury by disease;

and \$500,000 policy limit for bodily injury by disease.

3. General Liability Insurance, including, but not limited to, premises, personal injury, contractual, independent contractors, property damage, completed operations and products. Said policy shall not exclude coverage for the "XI" (explosion), "C" (collapse) and "U" (underground) property damage liability exposures. The limit of coverage shall not be less than:

Bodily Injury and Property Damage Liability - \$1,000,000 combined single limit each occurrence/ \$2,000,000 aggregate;

Personal Injury and Advertising Injury - \$1,000,000;

Products/Completed Operations Aggregate - \$1,000,000.

4. Vehicle Liability Insurance shall be maintained by Tenant for the ownership, maintenance and use of all owned, non-owned, leased, hired or rented vehicles. The limit of coverage shall not be less than:

Bodily Injury and Property Damage Liability - \$1,000,000 combined single limit each occurrence.

5. Umbrella Excess Liability Insurance shall be maintained by Tenant with minimum limits of:

\$1,000,000.00 per occurrence;

\$1,000,000.00 aggregate for other than products/completed operations in auto liability; and \$1,000,000.00 products/completed operations aggregate.

All insurance requirements and limits described in this paragraph shall be provided by Tenant at all times during the term of this Agreement, unless such requirements are modified in writing by the SJTA and Tenant. The requirement in this paragraph that Tenant provide insurance coverage is not intended to relieve Tenant of its full responsibility for damages under common law and as set forth herein. Notwithstanding that the minimum amount of insurance coverage is carried or required to be carried by Tenant as specified herein, the liability of Tenant shall not be limited to the amounts so specified and shall extend to any and all liability in excess of these insurance coverages. Nothing set forth herein shall preclude the SJTA from taking any action available to it under the provisions of this Agreement or otherwise under the law.

12. Indemnification. Tenant agrees to indemnify fully, save and hold harmless the SJTA, its Commissioners, Directors, officers, employees, agents and representatives, from and against all losses, damages, claims, liability and causes of action of every kind, or character and nature, as well as costs and fees, including reasonable attorneys' fees connected therewith, and the expense of the investigation thereof, based upon or arising out of damages or injuries to third persons or their property caused by the acts or negligence of Tenant. The SJTA shall give to Tenant prompt and reasonable notice of any such claims or actions and Tenant shall have the right to investigate, compromise and defend the same to the extent of its own interest. In addition, Tenant agrees to indemnify and defend the SJTA for any loss, cost or expense in regard to any claims filed against the SJTA in regard to the construction or location of the Structure on the Expressway right-of-way, including, but not limited to attorneys' fees. This paragraph 13 shall survive the termination, expiration or rescission of this Agreement. Provided, however, Tenant shall not indemnify, defend and hold harmless the SJTA to the extent that any claims are due to the willful acts or negligence of the SJTA.

13. Accidents and Claims. All accidents on the Premises or Structure resulting in bodily injury, property damage or personal injury and all accidents causing physical damage to buildings, improvements, betterments or contents shall be reported by Tenant to the SJTA, in writing within twenty-four (24) hours of each occurrence. Accidents that result in death or damage to SJTA property shall be reported immediately to the agency via telephone.

14. Ancillary Rights. Subject to Tenant's compliance with the terms of this Agreement and the SJTA's Rules and Regulations, the SJTA agrees that it will allow Tenant to do such reasonable trimming and cutting of trees and shrubs as may be necessary on the land SJTA controls such that the Display on the Structure is not obscured by said trees and shrubs.

15. Reserved Rights. Anything herein to the contrary notwithstanding, SJTA reserves the right to use the Premises for all purposes that will not interfere with Tenant's full enjoyment of the rights granted under this Agreement.

16. Approval for Plans for Construction.

A. All plans and specifications for the construction of the Structure shall be submitted to the SJTA for review and approval. The SJTA shall have thirty (30) business days from receipt of Tenant's final plans and specifications to approve or disapprove them. Should the SJTA fail to approve or disapprove Tenant's plans and specifications within this 30-day period, Tenant's plans and specifications shall be deemed approved. No construction shall begin until the SJTA approves Tenant's plans for construction and until construction plans are

submitted to and approved by all appropriate authorities. The SJTA makes no representations as to the approvals needed.

B. It is expressly understood by the parties that no approval by the SJTA of construction or installation plans relieves Tenant from its full responsibility for the construction and installation, nor shall any such approval restrict, modify or void the obligations assumed by Tenant pursuant to this Agreement.

C. The SJTA shall have the right to disapprove any contractor or subcontractor hired by Tenant to perform work in connection with this Agreement based upon said contractor or subcontractor's failure to obtain and/or provide proof of adequate insurance coverage naming the SJTA as an additional insured on all insurance policies. The contractor or subcontractor must have proper licensing for all work to be performed. No contractor or subcontractor shall perform any work in connection with this Agreement, if the contractor or subcontractor is barred or suspended by SJTA, the New Jersey Department of Transportation or any other department of the State of New Jersey.

D. The SJTA shall have access to the Structure at all times during construction and installation. SJTA shall have the right to inspect all work performed by the Tenant and its contractors and subcontractors. Between Tenant and the SJTA, however, Tenant shall be solely responsible for all work associated with the design, construction and installation of Tenant's improvements. It is expressly understood by the parties that the SJTA, whether or not it conducts onsite visits or inspections, assumes no responsibility for the quality, adequacy or safety of Tenant's design, construction and installation. Tenant shall advise the SJTA in writing when construction is completed and, within thirty (30) days thereof, Tenant shall submit as built Drawings in a format that is acceptable to the SJTA.

E. Any construction, reconstruction, maintenance, repair and operation of the Structure and all work in connection therewith, shall be performed and arranged in a manner which will not interfere with the SJTA's use of its property, the free and safe flow of traffic and any SJTA construction or maintenance work, unless prior written approval is expressly granted by the SJTA. All activities performed by Tenant on the land SJTA controls, including, but not limited to, all construction, installation, maintenance, repairs, trimming, cutting, painting and changing of copy and/or advertisements, shall be performed in compliance with N.J.A.C. 19:2-9 and any other applicable laws and regulations.

17. **Liens.** Tenant shall take or cause to be taken all steps that are necessary, required or permitted in order to avoid the imposition of any lien upon the Premises or Structure. However, should any lien be placed on the Premises or Structure, Tenant shall immediately cause to be removed any and all liens of any nature including, but not limited to, tax liens and liens arising out of or because of any construction or installation performed by or on behalf of Tenant or any of its contractors or subcontractors upon the Premises or Structure or arising out of or because of the performance of any work or labor to it or them at the Premises or the furnishing of any materials to it or them for use on the Premises or Structure. Should any liens be made or filed, Tenant will use its best efforts to discharge and remove the same no later than sixty (60) days after written request to do so by the SJTA.

18. Maintenance and Repairs. During the Term of this Agreement and any extension thereof, Tenant, at its sole cost and expense, shall be responsible to perform all maintenance, repairs and reconstruction necessary to keep the Structure in operation, in good condition and in compliance with applicable state and federal laws, rules and regulations. Tenant shall provide advance notice to the SJTA of all construction, reconstruction, maintenance and repair work on the Structure or Premises in accordance with this Agreement. The SJTA reserves the right, in its sole discretion, to make emergency repairs to the Structure and Premises, at the sole cost and expense of Tenant, when such repairs are needed on an emergent basis to protect the SJTA or the public. The SJTA shall notify Tenant of any emergency, if feasible, and shall give Tenant an opportunity to respond to said emergency. Tenant covenants that at the termination or expiration of this Agreement, howsoever caused, it will quit, remove the Structure, and surrender the Premises in good repair and condition.

19. Utilities. Tenant expressly acknowledges that it will be responsible for providing all utility equipment, conduit, lines and connections including, but not limited to, all meters or other equipment as may be required by Tenant or the utility supplier for complete installation and operation of the Structure and for the payment of any and all utility charges, including connection and recurring fees. Tenant shall comply with the provisions of the Underground Facility Protection Act (the "Act"), N.J.S.A. 48:2-73 et seq., which requires, inter alia, Tenant to mark, stake, locate or otherwise provide the position of its underground facilities. Tenant shall also locate all utilities and make arrangements necessary with the respective utility companies in any areas of excavation and take all precautions not to sever or damage such utilities. If any utilities are damaged or severed during the course of installing, maintaining or operating the Structure, notice shall be provided immediately to the respective utility and SJTA. SJTA shall not be liable or responsible for any interruptions of service or the repair or relocation costs associated with any utility. Tenant must make any necessary arrangements with the respective utility companies and bear any and all costs incurred by reason of any interruption, relocation or repair. Tenant agrees to indemnify the SJTA for any and all damages, which SJTA incurs by reason of Tenant's failure to properly comply with this Paragraph.

20. Restoration of SJTA Property, Property Damage.

A. Tenant, at its sole cost and expense, shall restore or replace any SJTA property including, but not limited to, any road surface, curbing, drainage, vegetation, plantings, trees, shrubs or structures, disturbed, destroyed or damaged by Tenant's activities or construction of the Structure on SJTA property to its original condition, reasonable wear and tear excepted, within the reasonable number of days specified in the written notice. If all remedial work is not undertaken and completed within ninety (90) days from the date specified, the SJTA may, on ten (10) days' written notice to Tenant, undertake and complete the remedial work with its own employees and/or independent contractors, and Tenant shall pay all actual costs or charges incurred by the SJTA by reason of such work.

B. Tenant shall, at its own expense, make good any damage that may be done by it, its subconsultants, contractors, subcontractors, or suppliers, in the course of this Agreement, to any of the SJTA's real and/or tangible, personal property through, or by reason of the execution of this Agreement. Tenant's liability under this paragraph is absolute and shall not be dependent upon any agents, employees, subconsultants, contractors, subcontractors or suppliers; and the neglect of the SJTA to direct Tenant to take any particular precaution or to refrain from any

particular conduct shall not excuse Tenant except for damage resulting solely from the SJTA's negligence.

21. **Notices.** All notices provided for herein shall be in writing. Any notice permitted or required to be served upon Tenant may be served upon it at:

Garden State Outdoor, LLC
Attn: Emanuel Levin
1125 Atlantic Avenue
Suite 712
Atlantic City, NJ 08401

Provided, however, that if Tenant shall give notice in writing to the SJTA of any change in said address, then and in such event, such notice shall be given to Tenant at such substituted address. Any notice permitted or required to be served upon the SJTA may be served upon it at:

South Jersey Transportation Authority
Attn: James Iannone, Executive Director
Farley Service Plaza
P.O. Box 351
Hammonton, NJ 08037

with a copy to:

Carl Viniar, Esquire
Angelini, Viniar & Freedman, LLP
70 Euclid Street
Woodbury, NJ 08096

Provided, however that if the SJTA shall give notice in writing to the Tenant of any change in said address, then and in such event, such notice shall be given to SJTA at such substituted address. Any notice served by mail shall be by registered, certified mail or overnight mail.

22. **Title.** The Structure shall remain the absolute property of Tenant at all times including after termination, expiration or non-renewal of this Agreement. At the conclusion of the Term, the Structure shall remain the property of Tenant, which shall, at its sole cost and expense, remove the Structure within thirty (30) days written notice from the SJTA. If so requested by the SJTA, Tenant shall, in addition to the Structure, remove the foundation for the Structure, and restore the property as nearly as possible to its original condition.

23. **Relocation and Removal.** If necessary, due to circumstances including, but not limited to, construction along the Expressway, the SJTA may, at its sole cost and expense, relocate the Structure to a site mutually agreeable to the parties or terminate this Agreement on thirty (30) days prior written notice and remove the Structure.

24. **Nuisances.** Where, as a result of any act or omission of Tenant or its successors, a nuisance, including, but not limited to garbage and debris, exists on the Premises or Structure, the SJTA may, by written notice, order Tenant to abate and/or remove the nuisance, insofar as it

is practicable and reasonable to do so. Should Tenant fail to do so within a reasonable time, the SJTA may take whatever steps may be necessary to abate and/or remove the nuisance and Tenant shall be liable for the reasonable cost thereof.

25. Not A Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication or any portion of the licenses created hereunder to the general public for any public purpose whatsoever.

26. Compliance with Environmental Laws.

A. Tenant may inspect the Premises where work is to be performed pursuant to this Agreement to become familiar with the condition of the Premises. SJTA makes no representations or warranties regarding the condition of the Premises and Tenant agrees that no claim whatsoever shall be made against the SJTA for costs, damages or expenses as a result of the conditions of the Premises.

B. Tenant, at its own cost and expense, shall comply with any existing or hereafter enacted environmental laws or regulations, which affect the Premises or Structure.

C. With the approval of the SJTA, Tenant, may, at its own cost and expense, conduct investigations as part of its initial site evaluation, including any test and soil borings necessary to determine the presence or absence of environmentally sensitive materials at the Premises. If a site investigation reveals the presence of contamination, Tenant may elect to conduct any required cleanup or redemption at its own expense, or it may decide not to develop the site and may terminate this Agreement with fifteen (15) days written notice to the SJTA. If Tenant does not proceed with the development of the site, it shall not be responsible for any environmental liabilities discovered by site tests approved by the SJTA.

D. If at any time prior to or during construction or otherwise, environmentally sensitive materials are discovered on the Premises, Tenant must notify the appropriate governmental authorities and the SJTA of said discovery in accordance with applicable environmental laws and regulations. If Tenant decides to proceed with construction of the Structure, it shall, at its own cost and expense, undertake any monitoring or remedial activities required pursuant to any applicable laws or regulations. Except where such monitoring or remedial activities are voluntarily undertaken by Tenant in order to construct, install, maintain, utilize and operate the Structure, Tenant shall not be responsible for the monitoring or remedial activities made necessary by pre-existing hazardous materials deposited by others. Tenant, at its own cost and expense, shall promptly provide to the SJTA copies of all submissions made to any environmental regulatory agency in connection with its responsibilities pursuant to this Paragraph. Should Tenant decide not to voluntarily undertake the monitoring or remedial activities necessary to construct, install, maintain, utilize and operate the Structure and Premises, SJTA may terminate this Agreement upon ten (10) days written notice.

E. If any site remediation must be undertaken on the Premises or any other properties controlled or owned by the SJTA resulting from the action or inactions of Tenant, or its officers, agents, contractors, subcontractors or employees, Tenant shall, at its own cost and expense, prepare and submit the remediation action plan prepared by Tenant to the SJTA before it is submitted to the appropriate regulatory agency. The SJTA's approval shall not be

unreasonably withheld or delayed. The obligations of Tenant set forth in this Paragraph of this Agreement shall survive the termination of this Agreement.

F. Tenant shall, at all times during the Term of this Agreement, permit the SJTA to have access to the Premises for the purpose of environmental inspections, including, but not limited to, sampling. The SJTA shall provide reasonable advance notice to Tenant of environmental inspections and Tenant shall have the right to have a representative present during any such inspections. Tenant shall, at its own cost and expense, provide all information required by the SJTA for the preparation of any non-applicability affidavits, de minimis quantity exemption applications, or other environmental submissions, and shall promptly sign such affidavits and submissions when requested by the SJTA.

27. New Jersey Law Against Discrimination. Tenant is required to implement and maintain a specific Affirmative Action Compliance Program of Equal Employment Opportunity in support of the New Jersey Law Against Discrimination, N.J.S.A. 10:5-31 et seq., and in accordance with the regulations promulgated by the State Treasurer of New Jersey pursuant to such law.

A. The SJTA and Tenant agree to incorporate into this Agreement the mandatory language of N.J.A.C. 17:27-3.4 (a) and N.J.A.C. 17:27-7.4 (a) and (b) promulgated by the New Jersey State Treasurer pursuant to P.L. 1975, c. 127, N.J.S.A. 10:5-31 et seq., and the Tenant or subcontractor, where applicable, agrees to comply fully with these regulations and the provisions of N.J.A.C. 17:27-3.4 (a), as amended and supplemented from time to time.

B. Tenant shall execute the Affirmative Action Agreement, Exhibit "A", annexed to and made a part of this Agreement.

C. Tenant shall submit a copy of the Certificate of Employee Information Report or Form AA-302 (Initial Employee Information Report) to the State of New Jersey.

28. Security and Protection. Tenant acknowledges and accepts full responsibility for the security and protection of the Structure and for the prevention of any theft, vandalism, fire or unauthorized access to the Structure and expressly agrees to comply with all laws and regulations of the SJTA and of any and all other governmental entities that now or may hereafter have jurisdiction over the Structure.

29. Public Service Messages.

A. During any unsold time periods, the SJTA has the right to display its own public service messages on any unused Display at no cost to the SJTA for the use of said Display. The SJTA will however be responsible for payments for production and set-up fees, and installation and removal of the public service message.

B. The Tenant shall maintain a public service rate for not-for-profit agencies that wish to post their messages. This rate shall be lower than that charged to commercial advertisers but reflective of the market value of the advertising space.

30. Termination. This Agreement may be terminated, without penalty or further liability by either party on sixty (60) days prior written notice, if the other party remains in default under Paragraph 31 of this Agreement after the applicable cure periods or by the SJTA if Tenant is unable to obtain, or maintain, any required approval(s) or the issuance of a license or permit by any agency, board, court or other governmental authority necessary for the construction or operation of the Structure.

If the agreement is terminated or non-renewed for any reason, or upon expiration of the agreement or the structure is required to be removed, the Tenant shall be permitted to remove and relocate the Structure from SJTA property or property controlled by the SJTA and any permits, approvals or other rights held by the SJTA for the Structure shall be transferred to the Tenant in the Tenant's name. Moreover, if for any reason the Structure is not built, all such permits, approvals or other rights held by the SJTA for the Structure shall be transferred to the Tenant in the Tenant's name. The Tenant shall prepare all documentation necessary to effectuate the transfer and the SJTA agrees to execute such documents.

31. Default and Right to Cure.

A. The following will be deemed a default by Tenant and a breach of this Agreement: (i) non-payment of rent if such rent remains unpaid for more than fifteen (15) days after receipt of written notice of such failure to pay from SJTA; (ii) Tenant's failure to perform any non-monetary term or condition under this Agreement within thirty (30) days after receipt of written notice from SJTA specifying the failure; (iii) Tenant's failure to complete construction of the Structure within six (6) months of Tenant's receipt of all necessary permits, licenses, approvals and/or waivers for the Structure or within one (1) year of the execution of this Agreement, unless such time is extended by SJTA as elsewhere provided; (iv) Tenant's failure to complete construction of the Structure has begun; or (v) if Tenant shall become insolvent or make an assignment for the benefit of creditors or file a voluntary petition in bankruptcy, or if any involuntary petition in bankruptcy is filed against Tenant and the act of bankruptcy alleged is not denied by Tenant. No failure to perform under (A) (ii), (iii) or (iv) will be deemed to exist if Tenant has commenced to cure such default within such period and provide that such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Tenant. If Tenant remains in default beyond any applicable cure period, SJTA will have the right to exercise any and all rights and remedies available to it under law or equity. Upon termination of this Agreement by the SJTA, ownership of the Structure shall vest in the SJTA in accordance with Paragraph 22 of this Agreement.

B. The following will be deemed a default by SJTA and a breach of this Agreement; SJTA's failure to perform any term or condition under this Agreement within thirty (30) days after receipt of written notice from Tenant specifying the failure. No such failure, however, will be deemed to exist if SJTA has commenced to cure such default within such period and provided that such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of SJTA. If SJTA remains in default beyond any applicable cure period, Tenant will have the right to exercise any and all rights available to it under law and equity, including the right to cure SJTA's default and to deduct the cost of such cure from any moneys due to SJTA from Tenant.

32. Holdover. The holding over in possession by Tenant following the expiration of the Term shall not constitute renewal except that Tenant shall be deemed to be a month-to-month tenant subject to the terms and conditions of this Agreement, terminable by either party on thirty (30) days written notice to the other.

33. Net Lease. Tenant shall be responsible for all costs and expenses arising out of or associated with this Agreement, the Premises or the Structure, including, but not limited to, any design, construction, operation, maintenance and improvements to the Structure and Premises.

34. Non-Waiver. No waiver of default by either party or any of the terms, covenants or conditions of this Agreement to be performed, kept, and observed by the other party shall be construed to be or act as a waiver or any subsequent default of any of the terms, covenants, and conditions to be performed, kept and observed by the other party and shall not be deemed a waiver or any right on the part of the other party to cancel this Agreement as provided herein.

35. Rights Non-Exclusive. Notwithstanding anything herein contained that may be or appear to the contrary, this Agreement is limited to the leasing of the Premises and does not grant Tenant any rights, privileges or licenses beyond the scope of this Agreement.

36. Compliance with Laws. Each party shall comply with all applicable federal, state, municipal, local or department laws, ordinances, rules, regulations and orders in its performance of this Agreement.

37. No Individual Liability. No member, officer, agent, director, or employee of the SJTA or Tenant shall be charged personally or held contractually liable by or to the other party under the terms or provisions of this Agreement or because of any breach thereof or because of its or their execution or attempted execution.

38. Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship between the parties hereto. It is understood and agreed that neither the method or computation of rentals, fees, and charges, or any other provisions contained herein, nor any acts of the parties hereto, creates a relationship other than the relationship of lessor or lessee.

39. Capacity to Execute. The individuals executing this Agreement personally warrant that they have full authority to execute this Agreement on behalf of the entity for whom they are acting herein.

40. Severability. In the event that any covenant, condition or provision of this Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of such covenant, condition, or provision shall not materially prejudice either SJTA or Tenant in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

41. Force Majeure. Except as herein provided, neither the SJTA nor Tenant shall be deemed to be in default hereunder if either party is delayed from performing any of the obligations hereunder, by reason of fire, flood, strikes, boycotts, labor disputes, embargoes,

shortages of energy or materials, acts of God, acts of the public enemy, usually severe weather conditions, riots, rebellion, sabotage, or any other similarly extreme circumstances for which it is not responsible or which are not within its control.

42. Assignment.

A. Tenant will not assign its rights or duties hereunder, in whole or in part, without the prior written consent of the SJTA. Any such consent of assignment will be specifically subject to all provisions of this Agreement and before any assignment will become effective, the assignee will, by written instrument, assume and agree to be bound by the terms and conditions of this Agreement during the remainder of the Term. Any assignment absent the SJTA's written consent is void. In the event the SJTA shall consent to such an assignment, then Tenant shall provide SJTA with all appropriate and relevant information concerning assignee, including but not limited to the office address, phone number and contact names for such assignee. Any such consent of assignment shall specifically be subject to Tenant supplying to SJTA all appropriate contacts for assignee along with appropriate office addresses and any other requested information.

B. The SJTA's consent notwithstanding, no assignment will release Tenant of Tenant's obligation or alter the primary liability of Tenant to pay the Rent and to perform all other obligations to be performed by Tenant hereunder. The acceptance of Rent by the SJTA from any person or entity will not be deemed to be a waiver by the SJTA of any provision hereof.

43. Incorporation of Exhibits and Proposal. All exhibits, attachments and schedules referenced in this Agreement are intended to be and are hereby specifically made a part of this Agreement. The Proposal submitted by Tenant in response to SJTA's Request For Proposals (RFP) to lease an Expressway right-of-way for outdoor advertising is intended to be and is hereby specifically made a part of this Agreement.

44. Successors Bound. The SJTA and Tenant for themselves, their heirs, executors, administrators, successors or assigns, hereby agree to the full performance of the covenants herein contained.

45. Approvals. Whenever this Agreement calls for construction, installation or general engineering approvals by the SJTA, such approvals shall be evidenced by the written approval of the SJTA's Director of Engineering or his or her authorized designee. All other approvals by the SJTA shall be evidenced by the written approval of the SJTA's Executive Director or his or her authorized designee.

46. Titles and Headings. The paragraph and subparagraph titles or headings contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or extent of any provision of this Agreement.

47. Governing Law. The SJTA and Tenant agree that this Agreement is made and to be performed in New Jersey and that the validity, interpretation, performance and enforcement of all duties, obligations, liabilities and terms of the Agreement shall be governed by and decided in accordance with the laws of the State of New Jersey without giving effect to any choice of law or

conflict of law provision or rule (whether of the State of New Jersey or any other jurisdiction). The parties agree to submit to the jurisdiction of the Superior Court, State of New Jersey, within the County of Atlantic, or the United States District Court, Third Circuit, for the resolution of any dispute or controversy arising out of this Agreement.

The Tenant shall be aware that SJTA is required over time to comply with New Jersey State Law to reduce the overall square footage of outdoor advertising on the agency's right of way and facilities. In this regard, SJTA reserves the right at any time to remove any outdoor advertising structure from its right of way with sixty (60) days notice to the Tenant. The Tenant shall be paid a reasonable amount of compensation for the loss of revenue to be determined by mutual agreement of the parties.

48. Entire Agreement. It is understood and agreed that this instrument contains the entire agreement between the parties hereto. It is further understood and agreed by Tenant that the SJTA and its agents have made no representations, promises or warranties with respect to this Agreement or the making or entry into this Agreement, except as expressly set forth herein and that no claim or liability or cause for termination shall be asserted by Tenant against the SJTA for, and the SJTA shall not be liable by reason of, the breach of any representations, promises or warranties not expressly provided in this Agreement. Except as otherwise specifically provided in this Agreement, no amendment, modification or alteration of the terms of this Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.

49. Publicity. The Tenant shall not issue any news releases or develop any publicity regarding this Agreement without the express written permission of SJTA.

50. Payment of Taxes. The Tenant shall agree to pay all applicable Federal and State Taxes upon the sale of outdoor advertising.

IN WITNESS WHEREOF, the parties hereto have set their hands and seal the day and year first above written.

WITNESS & ATTEST

SOUTH JERSEY
TRANSPORTATION AUTHORITY

Susan Drake
(Seal)

By: [Signature]

TENANT

[Signature]
(Seal)

By: [Signature]
EMANUEL L. LEVIN

SCHEDULE A - OUTDOOR STRUCTURE SPECIFICATIONS

Location: Milepost 0.0 East Westbound

Size: 16 x 60, total of 960 sq. feet

Faces: X One sign face Two sign face

Lighting: X Illuminated Not Illuminated

Maximum Height: Feet from ground to top

Exhibit A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE
(revised 11/01)
(N.J.S.A. 10.5-31 et. seq)
(N.J.A.C.17:37)
GOODS AND SERVICES AND PROFESSIONAL SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth provisions of this nondiscrimination clause;

The contractor or subcontractor, where applicable will, in all solicitation or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation;

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and with the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers consistent with the applicable county employment goals prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as



South Jersey Transportation Authority

amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Div. of Contract Compliance & EEO pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Div. of Contract Compliance & EEO as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Div. of Contract Compliance & EEO for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative code (NJAC 17:27).

TENANT: Garden State Outdoor, L.L.C.

Date: _____

3/20/06

By: _____

Emanuel L. Levin

Print: _____

EMANUEL L. LEVIN



South Jersey Transportation Authority

Exhibit B

SJTA ADVERTISING CONTENT POLICY

It is the policy of the South Jersey Transportation Authority to not allow the display of advertising which is not in keeping with the standards of the community. There are five types of advertising content, which the community has determined is not in keeping with community standards, these are:

1. Tobacco and tobacco products
2. Alcoholic beverages
3. Misleading or deceptive advertising
4. Sexually explicit, obscene or gender or racial offensive materials
5. The promotion of violence, illegal activity or deviant behavior

Out of Home Advertising firms doing business with the South Jersey Transportation Authority (SJTA) shall be responsible for the content of all advertising to be displayed and shall use their business judgment in accepting advertising content for posting. Out of home advertising firms shall have the right to reject any objectionable advertising, especially if said advertisement will have a detrimental impact on the sale of advertising and the value of SJTA's advertising program. Potentially objectionable advertising will be submitted for review to SJTA and may require changes in copy, visuals or other materials so that the advertisement is acceptable to community standards.

Out of Home Advertising firms shall hold SJTA harmless from all litigation regarding its sale of advertising and its determination of the acceptability of advertising content. SJTA will hold the franchisee harmless from litigation resulting from its direction to the franchisee to reject advertising because of content. SJTA retains the right to reject any advertising prior to display. The Out of Home Advertising firm shall remove any advertising that SJTA determines to be objectionable. Removal shall take place no later than 24 hours from the time of notification to the Out of Home Advertising firm.



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