Lease Insurance Requirements

Prior to the date on which possession of the Premises is delivered to the Lessee, the Lessee shall file with The People of the State of New York, Office of General Services (together with Lessor collectively referred to hereinafter as "OGS"), Certificates of Insurance executed by a duly authorized representative of each insurer evidencing compliance with all requirements contained in this Lease. Such Certificates shall be of form and substance acceptable to OGS.

Acceptance and/or approval by the OGS does not and shall not be construed to relieve Lessee of any obligations, responsibilities or liabilities under the Lease or represent adequacy of the insurance or limits.

All insurance required by the Contract shall be obtained at the sole cost and expense of the Lessee, shall be maintained with insurance carriers licensed to do business in New York State, and acceptable to OGS; shall be primary and non-contributing to any insurance or self insurance maintained by OGS; shall be endorsed to provide written notice be given to OGS, at least thirty (30) days prior to the cancellation, non-renewal, or material alteration of such policies, which notice Lessee shall request of the insurance company, be sent by return receipt of United States Certified Mail, shall be sent to Lessor. All such insurance shall name The People of the State of New York, NY State Urban Development Corp. dba Empire State Development Corp., The Franchise Oversight Board and their respective officers, agents, trustees, directors and employees as additional insureds thereunder. (General Liability Additional Insured Endorsement shall be on Insurance Service Office's (ISO) form number **CG 20 26 11 85**). The additional insured requirement does not apply to Workers Compensation or Disability coverage.

Lessee shall require any subcontractors hired, to carry insurance with the same provisions provided herein . Contractors involved in the construction, maintenance, renovation or repair of the Premises will maintain Commercial General Liability limits of not less than $5,000,000 each occurrence or in the case of major construction, additions or renovations limits agreed to by OGS and General Liability Additional Insured Endorsement shall be on Insurance Service Office's (ISO) form number **CG 20 10 11 85**. Notwithstanding the foregoing, all contractors shall have such insurance coverage (i) as is commercially reasonable with respect to the form and amounts of coverage, taking into account the size and cost of any construction, maintenance, renovation or repair of the Premises, or (ii) as otherwise required by the OGS, using the same standard.

Lessee shall be solely responsible for the payment of all deductibles and self insured retentions to which such policies are subject. Deductibles and self insured retentions must be approved by OGS. Such approval shall not be unreasonably withheld.

Each insurance carrier must be rated at least "A-" Class "VIII" in the most recently published Best's Insurance Report. If, during the term of the policy, a carrier's rating falls below "A-" Class "VII", the insurance must be replaced no later than the renewal

date of the policy with an insurer acceptable to the OGS and rated at least "A-" Class "VII" in the most recently published Best's Insurance Report.

Lessee shall cause all insurance to be in full force and effect as of the commencement date of this Lease and to remain in full force and effect throughout the term of this Lease and as further required by this Lease. Lessee shall not take any action, or omit to take any action that would suspend or invalidate any of the required coverages during the period of time such coverages are required to be in effect.

Not less than thirty (30) days prior to the expiration date or renewal date, Lessee shall supply OGS updated replacement Certificates of Insurance, and amendatory endorsements.

Lessee, throughout the term of this Lease, or as otherwise required by this Lease, shall obtain and maintain in full force and effect, the following insurance with limits not less than those described below and as required by the terms of this Lease, or as required by law, whichever is greater (limits may be provided through a combination of primary and umbrella/excess policies):

(a) Commercial General Liability Insurance with a limit of not less than $50,000,000 each occurrence. Such liability shall be written on the Insurance Service Office's (ISO) occurrence form CG 00 01, or a substitute form providing equivalent coverages and shall cover liability arising from premises operations, independent contractors, products-completed operations, broad form property damage including completed operations, personal & advertising injury, cross liability coverage, liability assumed in a contract including the tort liability of another and explosion, collapse and underground. The limit for Fire Damage Legal shall not be less than $100,000.

(b) Workers Compensation, Employers Liability, and Disability Benefits as required by New York State. If employees will be working on, near or over navigable waters, US Longshore and Harbor Workers Compensation Act endorsement must be included.

(c) Comprehensive Business Automobile Liability Insurance with a limit of not less than $10,000,000 each accident. Such insurance shall cover liability arising out of any automobile including owned, leased, hired and non owned automobiles.

(d) Commercial Property Insurance on the Premises covering at a minimum, the perils insured under the ISO Special Causes of Loss Form (CP 10 30), or a substitute form providing equivalent coverages, including debris removal, demolition and increased cost of construction that are caused by legal requirements regulating the construction or repair of damaged facilities, including an ordinance and law endorsement, in an amount of

not less than the Full Insurable Value of the Premises including completed additions. Full Insurable Value shall mean actual replacement cost (exclusive of the cost of non insurable portions thereof, such as excavation, foundations and footings). OGS is to be named as an insured.

(e) Commercial Property Insurance covering at a minimum, the perils insured under the ISO Special Causes of Loss Form (CP 10 30), or a substitute form providing equivalent coverages, for loss or damage to any owned, borrowed, leased or rented personal property, equipment, tools, including tools of their agents and employees, and property of OGS held in their care, custody and/or control.

(f) Rental Value Insurance providing coverage for fair rental value of any portion of the Premises occupied by Lessee.

(g) Equipment Breakdown Insurance covering all of the boilers, fired or unfired pressure vessels, heating, ventilating and air-conditioning units or any other mechanical equipment which services the premises exclusively and which may malfunction or cause damage to property or injury to persons for the Full Insurable Value of the Premises. Lessee shall be responsible for the regular inspection of the Boiler. A joint loss agreement endorsement should be attached to the Equipment Breakdown and Commercial Property Insurance policies if with different insurance carriers. OGS is to be named as an insured.

(h) Bailees insurance with limits of not less than $10,000,000 covering liability arising from loss or damage to the property of others while being transported, in storage or otherwise in the care, custody or control of Lessee.

(i) Garage Keepers Legal Liability Coverage with a limit of not less than $1,000,000 at each location for Comprehensive and Collision Coverage for damage to a customer's automobile or automobile equipment in Lessee's care, custody or control.

(j) If Lessee uses, stores, handles, processes or disposes of Hazardous Materials, then Lessee shall maintain in full force and effect through the term, Environmental Impairment Liability insurance with limits of not less than $5,000,000, providing coverage for bodily injury, property damage or loss of use of damaged property or of property that has not been physically injured. Such policy shall provide coverage for actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of pollutants, including any loss, cost or expense incurred as a result of any cleanup of pollutants or in the investigation, settlement or defense of any claim, suit, or proceedings against The People of the State of New York,

arising from Lessee's use, storage, handling, processing or disposal of Hazardous Materials

(k) If Lessee sells, distributes, serves or furnishes alcoholic beverages, then tenant shall maintain in full force and effect through the term, Liquor Liability Insurance with limits of not less than $5,000,000.

(l) During the performance of any Construction Work, Restoration or Alteration, Lessee will maintain or require the contractors to maintain Builder's risk coverage on a completed value form covering the perils insured under the ISO special causes of loss form, including collapse, water damage, and transit and theft of building materials, with deductible reasonably approved by the OGS, in non reporting form, covering the total value of work performed and equipment, supplies and materials at the location of the job as well as at any off-site storage location used with respect to such work. The policy shall cover the cost of removing debris, including demolition as may be legally necessary by the operation of any law, ordinance or regulation. Such policy shall name as insureds, The People of the State of New York, Lessee, Contractor and Subcontractors. Consent of the carrier must be included to allow for the occupancy or use of the Premises by Lessee and OGS.

(m) If any Construction Work, Restoration or Alteration involves abatement, removal, repair, replacement, enclosure, encapsulation and/or disposal of any hazardous material or substance, petroleum or petroleum product, Lessee will require the Contractor to maintain in full force and effect throughout the term hereof, Pollution Legal Liability insurance with limits of not less than $10,000,000, providing coverage for bodily injury and property damage, including loss of use of damaged property or of property that has not been physically injured. Such policy shall provide coverage for actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of pollutants, including any loss, cost or expense incurred as a result of any cleanup of pollutants or in the investigation, settlement or defense of any claim, suit, or proceedings against OGS arising from Contractor's work.

1. Coverage should be written on an occurrence basis. If not available and subject to the approval of OGS, coverage is written on a claims-made policy, Lessee shall require the Contractor to warrant that any applicable retroactive date precedes the effective date of the Contractor's contract (the "Contract"); and that continuous coverage will be maintained, or an extended discovery period exercised, for a period of not less than 2 years from the time work under the Contract is completed.

2. If the Contract includes disposal of materials from the job site, the Contractor must furnish to OGS, evidence of pollution legal liability insurance with a limit of not less than $5,000,000 maintained by the disposal site operator for losses arising from the disposal site accepting waste under the Contract.

3. If autos are to used for transporting hazardous materials, the Contractor shall provide pollution liability broadened coverage for covered autos (endorsement CA 99 48) as well as proof of MCS 90.

Waiver of Subrogation. Lessee shall cause to be included in each of its policies insuring against loss, damage or destruction by fire or other insured casualty a waiver of the insurer's right of subrogation against OGS, or, if such waiver is unobtainable (i) an express agreement that such policy shall not be invalidated if Lessee waives or has waived before the casualty, the right of recovery against OGS or (ii) any other form of permission for the release of OGS.