

**EXHIBIT B**

## MANAGEMENT AGREEMENT

AGREEMENT, made as of this 14 day of April, 200<sup>18</sup>~~8~~, by and between Nathan L. Serota, individually, and as the managing member of various limited liability companies listed on Schedule A and related entities (hereinafter collectively referred to as "Serota") and Joseph V. Scimone (hereinafter referred to as "Manager" or "Scimone").

### WITNESSETH:

WHEREAS, Serota owns all or a portion of the interests in various entities as reflected on Schedule "A" annexed hereto and is the managing member of those entities with the full power and authority to enter into this Agreement on behalf of these various entities (the entities are hereinafter referred to as the "Current Owners"); and

WHEREAS, the Current Owners own retail and office properties located in the State of New York (hereinafter referred to as the "Current Properties") which properties are reflected on Schedule "A" annexed hereto; and

WHEREAS, Scimone presently manages the Current Properties as an employee of NLS Company; and

WHEREAS, Serota and the Current Owners wish to provide for continuity of management after the death of Serota by entering into this Agreement to utilize the services, expertise and knowledge of Scimone to manage the Current Properties and such other similar properties acquired by Serota after the date of this Agreement in his own name or in the name of an entity in which he is the managing member and owns all of the interests in said entity in his own name or in the name of his family members and himself (said new entities and the Current Owners are hereinafter collectively referred to as the



"Owners"), but only to the extent said additional properties and Current Properties are owned by Serota and/or the Owners at the time of Serota's death (said new properties and the Current Properties are hereinafter referred to as the "Properties").

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. Recitals and Term.

(a) All of the recitals contained in the foregoing preamble to this Agreement are hereby incorporated into this Agreement with the same force and effect as if repeated and set forth at length herein.

(b) The original term of this Agreement shall commence ~~upon~~ *within 180 days* the death of Serota and shall continue for a period of five (5) years from the death of Serota. This Agreement shall be automatically renewed for consecutive renewal terms of one (1) year, subject to the termination provisions below.

2. Duties.

Owners hereby engage Scimone to provide complete real estate management and administration for the Properties and Scimone agrees to perform such duties. In connection with such management and administration, Scimone shall have responsibility and authority to operate, maintain and manage the Properties, subject to and on the terms and conditions hereinafter set forth.

3. Performance.

Scimone agrees to devote such time and efforts, energy and talents as may be reasonably necessary for the performance of his assigned duties for the profit, benefit and advantage of the business of the Owners. Scimone shall use his reasonable best efforts to promote the interests of the Owners.

4. Standards and Plan.

(a) Scimone shall perform his duties under this Agreement as managing agent. The quality of such services shall in all respects and at all times, be equal to the highest standards of professional property management.

(b) Scimone shall prepare an annual operating plan (the "Operating Plan") for each Property and submit a copy of said Operating Plan to the Owners for each respective Property. The Operating Plan shall include an annual budget, showing all projected receipts, expenditures and repairs, as well as contingency reserves for cost overruns. The budget will include detail for any single anticipated major repair, maintenance, decoration or alteration item costing in excess of \$10,000.00 and shall include monthly escrows for debt service payments, real estate tax payments and insurance as well as a reserve for tenant improvements and capital expenditures. In addition, Scimone shall maintain separate account books and records for each of the Properties. These books and records for each of the Properties are the "Property Accounts".

(c) Scimone will have authority to operate each of the respective Properties according to the terms of this Agreement and in accordance with the Operating

Plan for that Property. In the event a non-budgeted expenditure shall be incurred which is greater than \$10,000.00 or the budgeted amount of any expenditure shall be in excess of one hundred ten (110%) percent of the budgeted amount but at least \$5,000.00, then Scimone shall promptly notify Owners of the Property involved.

5. Authority.

(a) Manager's Actions. Scimone shall have the power to engage in management activities of the Properties which relate to the prudent and efficient operation of the Properties in accordance with the Operating Plan provided to Owners, subject to the other terms and conditions herein. Except as otherwise provided in this Agreement, Scimone's decisions concerning the management of the Properties shall be final and binding on Owners. However, Scimone must act reasonably and in good faith in dealing with Owners and the Properties. All operating costs and expenses of the Properties shall be charged to the respective Property Accounts, except those costs and expenses herein otherwise specified to be costs and expenses of the Manager.

(b) Trust(s) as Owners of Properties.

(1) In the event any of the Properties are held or owned by a trust, then: (i) with respect to such Properties for which Scimone is also the Trustee, Manager shall advise the adult beneficiaries of said trust(s) and the parents or guardians of such minor or incompetent beneficiaries in the same manner as Owners are entitled to notice under this Agreement; and (ii) with respect to such Properties that Scimone is not a Trustee, Scimone shall advise the Trustee of said trust(s) in the same manner as Owners are entitled to notice under this Agreement.



(2) In addition, nothing in this Agreement shall restrict Scimone from acting in his capacity as managing agent when he is also acting in his capacity as Trustee of a trust which owns directly or through an entity or entities, all or a portion of the Properties. Furthermore, nothing in this Agreement shall restrict Scimone as a Trustee of a trust which owns directly or through an entity or entities, all or a portion of the Properties from acting in his capacity as a Trustee when he is also acting in his capacity as Manager.

(c) Contracts on Behalf of Owner. Manager shall have the power to enter into contracts on behalf of Owners, including but not limited to, contracts concerning matters relating to the cleaning, vermin extermination, grounds maintenance, snow removal, elevator maintenance, security, advertising and promotional expenses, utilities and supplies, construction of tenant interior space alterations, electricity, gas, telephone, water and sewer equipment, tools and material reasonably necessary or desirable for the care, maintenance and operation of the Properties. Scimone shall keep Owners advised of such contracts and permit the Owners or Owners' representatives to inspect such contracts and make copies thereof, at Owner's expense, at the office of the Manager, upon reasonable notice during normal business hours.

(d) Limitations. Notwithstanding any other provision of this Agreement, unless Manager shall obtain the prior written consent of the respective Owners for the Properties involved, Manager shall not: (i) convey or pledge any properties of Owners; (ii) institute or defend lawsuits or other legal proceedings on behalf of Owners or the Properties, except as provided below in Paragraph 12; or (iii) borrow money or execute any promissory note or other obligation to pay money on behalf of the Owners.

(e) Self-Dealing. Manager may enter into any contract or agreement with himself, any officers or employees or any other related or affiliated person or entity for purposes of fulfilling his duties hereunder so long as the same is on commercially reasonable terms and such person or entity agrees to perform their duties pursuant to the terms of this Agreement and the nature of the affiliation has first been disclosed to Owners of the respective Properties involved.

6. Records and Reports.

Manager shall maintain a comprehensive system of office records, books and accounts in which shall be entered (a) completely and accurately each and every lease so as to reflect all rentals and other sums received, the tenants making payment, the rental space involved, the periods to which rental payments apply; (b) all costs and expenses incurred for each of the respective Properties; and (c) all bills paid and other disbursements made for each of the Properties. Such records, books and accounts shall be maintained on a current basis for each of the Properties, and a monthly summary of such records, supported, upon request by Owners involved with the respective Properties, by copies of the underlying bills and invoices, shall be furnished to such Owners, at the address hereinafter provided for notice. Such records, books and accounts will be maintained at the Manager's office and may be examined by representatives authorized by Owners involved upon reasonable notice during normal business hours. Manager shall retain such records, books and accounts for a minimum period of seven (7) years and shall deliver them at such reasonable time to Owners involved or upon termination of this Agreement, if earlier, provided that Manager may in such event retain a copy of such

books and records. Manager shall retain an accountant on behalf of the Owners for the preparation of Proprietaries' tax returns, and the Owners shall cooperate with Manager's authorized representatives in compiling necessary information relating to the Properties, which the Owners have available to them. All costs of such tax preparation shall be paid by the Owners or charged to each Property Account. In the event Owners do not agree with the tax returns prepared by the said accountant, or its representatives, Owners may hire their own accountants to prepare such tax returns. In such case, Manager shall cooperate with Owners' authorized representatives in compiling necessary information and records for the Properties involved. At the close of each fiscal year designated by the Owners of the various Properties involved, Manager shall cause the records to be closed and appropriate year-end financial reports shall be furnished to Owners of the respective Properties, within one hundred twenty (120) days after the end of such fiscal year. Owners may, at their option and expense, require that the records be examined by an accountant or other representative selected by Owners involved. In the event of the termination of this Agreement, Manager specifically agrees to turn over to an authorized representative of Owners involved at the date of such termination, all records, plans, correspondence, contracts and documents pertaining to the management and administration of the various Properties, as well as insurance policies, bills of sale and all other documents evidencing title or rights of various Owners, and any and all other records or documents pertaining to the Properties, provided that Manager may, in such event, retain a copy of all such documents at the expense of the Owners involved.



7. Accounts.

(a) Property Accounts. Manager will, as agent of the Owners, maintain on behalf of the various Owners involved, checking accounts for each property, (the "Property Checking Accounts"). Checks drawn against the Property Checking Accounts may be made upon the signature of a duly authorized representative of Manager and shall be made for the following when due:

- (i) expenses incurred in maintaining the various Properties involved;
- (ii) salary and payroll and social security taxes of the Employees of the various Properties involved pursuant to Paragraph 8 hereof;
- (iii) expenses incurred in administering and operating the various Properties involved;
- (iv) the monthly installment of the management fee payable to Manager;
- (v) distributions to Owners hereunder; and
- (vi) any other items of expense provided for hereunder including Insurance Premiums, Real Estate Taxes and Debt Service payments, leasing commissions, Tenant's Improvements Work and/or Capital Expenditures or other expenses under the Operating Plan, except those expenses which are Manager's sole and separate expenses.

Manager shall support each check drawn against the Property Checking Account with adequate documentation including (A) an invoice with evidence of work performed per order for services and indication of work done per order; (B) invoice for goods delivered, evidenced by signed delivery slip with purchase order for goods, if applicable, or (C) scheduled partial payments against contract.

(b) Deposits to Property Checking Accounts. All rents, security deposits and other collections relating to the various Properties involved shall be deposited in a separate account(s) for each Property or if feasible into one operating account per Property with a segregation of each item. These Property Checking Accounts and all funds on deposit therein shall at all times be deemed to be the property of the various Owners involved. Each Property Checking Account shall always contain an operating balance of at least \$20,000.00. If the balance in any Property Checking Account shall fall below \$20,000.00, the Manager shall notify the Owners involved who, upon receipt of such notice, shall immediately deposit sufficient monies into that Property Checking Account so that there is at least \$20,000.00 therein. If at any time during the term of this Agreement available funds in any Property Checking Account are insufficient to pay the expenses of that Property, Manager shall notify Owners of such Property of said deficiency, and upon receipt of the request for sufficient funds to meet current obligations, the Owners involved shall promptly advance such funds. Manager shall not be under any obligation to advance any of his own funds for any reason but may do so and reimburse himself from the individual Property Checking Accounts involved as funds are deposited into these accounts.

(c) Security Depository Accounts. To the extent that Security Deposits are held by the Manager, such deposits are to be held in each Property Account and/or may be used (but only as allowed by law).

(d) Owners' Distributions. Manager may make distributions of excess funds, if any, from the Property Checking Accounts to the Owners involved on a monthly basis if such excess funds are available. Excess funds shall be construed to mean account balances in excess of (i) the \$20,000.00 minimum balance pursuant to Paragraph 7(b) above; plus (ii) sufficient funds to meet current obligations and reserves; (iii) sufficient funds to meet all current and/or anticipated escrows; (iv) sufficient funds to meet current and future construction obligations, alterations for possible new tenants, other anticipated needs to allow the Manager to manage the respective Properties without the need for an advance of funds by the various Owners involved, as anticipated in Paragraph 7(b) above; and (v) sufficient funds to establish other reserves as determined by the Manager.

8. Employees and Other Personnel.

Manager shall have full responsibility and authority and will use reasonable care in selecting, recruiting, hiring, firing, training, supervising and scheduling work for all permanent or part-time personnel necessary to perform the services of Manager under this Agreement. The cost of personnel who perform all of their duties onsite at or specifically for one or more of the Properties (other than independent subcontractors retained by Manager in his capacity as Manager) shall not be absorbed by the Manager but rather charged to the individual Property Checking Accounts involved. Manager shall advise Owners of such staffing. These personnel will be carried as employees of the Manager



who shall maintain worker's compensation insurance required by the laws of the State of New York. In addition, the payroll and payroll taxes of these employees shall be disbursed through the accounts of Manager, and such expenses shall be reimbursed to the Manager from each Property Checking Account involved. Manager shall be responsible for the preparation of and shall timely file all payroll tax reports and timely make payment of all withholding and other payroll taxes. In the event personnel do not perform services one hundred (100%) percent of the time for one or more of the Properties then the charges shall be allocated based on the time spent on the Properties and the time spent not on the Properties. Manager shall advise Owners of such allocations. Nothing contained herein shall be deemed to allow Manager to charge to any Property Checking Account any payroll or other expenses attributable to employees who are not involved in onsite activities at one or more of the Properties, or who do not specifically perform services for one or more Properties such as the general supervision, administrative and management functions by Manager's home office personnel and general bookkeeping staff, which shall be Manager's separate and sole expense.

9. Confidential Information.

(a) Manager agrees that he will not disclose any Confidential Information to any person or entity except: (i) as required in the ordinary course of business; (ii) as required by a subpoena validly issued by a government agency or by law or (iii) to Owners or subsequent owners of the Properties. In addition, Manager will not use Confidential Information of Owners and/or the Properties for any purpose other than for the performance of the rights and obligations hereunder during the term of this Agreement and

for a period of three years thereafter, without the prior written consent of Owners involved. Manager further agrees that Confidential Information shall remain the sole property of Owners and that Manager will take all reasonable precautions to prevent any unauthorized disclosure of Confidential Information.

(b) Upon the termination of this Agreement, for any reason whatsoever, upon the request of one or more of the Owners, Manager will promptly return all Confidential Information furnished hereunder and all copies hereof, except as otherwise provided under this Agreement.

(c) For purposes of this Agreement "Confidential Information" shall include but not be limited to, all reports, financial data and statements, tax returns, leases and tax secrets.

10. Non-Exclusivity.

The parties hereto agree that nothing in this Agreement shall limit Manager's ability or right to manage, own or otherwise be involved in other businesses that are in the same or similar businesses as the Owners, even if such other businesses compete with the business of the Owners.

11. Taxes and Insurance.

Manager shall obtain and verify statements for ad valorem property taxes and assessments against the Properties and deliver notice of any such item to Owners involved within thirty (30) days of the receipt thereof. Such taxes and assessments shall be paid by the Manager from each Property Checking Account involved. Owners or Manager, at Owners' request, shall arrange for and obtain insurance with respect to the

Properties of such kinds, in such amounts, and with such companies to the extent Owners or Manager deem necessary. Premiums for all insurance relating to one or more of the Properties shall be paid from each Property Checking Account involved.

12. Collections.

Manager shall take all necessary and proper action and use his best efforts to enforce the terms of all leases on the Properties and to collect all rentals, security deposits and other charges which may, at any time, be due or become due from any tenants or concessionaires, if any, occupying space in the Properties or from others for services provided in connection therewith or for the use of the Properties or any part thereof. Manager shall use all reasonable means to enforce such collection including the commencement of legal proceedings. Any such legal proceedings shall be instituted and conducted in the name of Owners and/or Manager. All legal fees and costs of litigation shall be considered an expense of the Property involved and Manager shall be promptly reimbursed for such expenses. Manager shall have the right to select the attorney under this Paragraph 12.

13. Maintenance and Repairs: Other Operational Duties.

(a) Manager shall continually operate the Properties as set forth in this Agreement and shall, consistent with the Operating Plan, perform all tasks necessary or desirable for the efficient operation of the Properties for such use, including the effective provision and operation of guard and other security services for the Properties, parking operations, cleaning and janitorial services, waste removal, and designation of concessionaires for the Properties.



(b) Manager shall be responsible for the maintenance of the Properties consistent with the Operating Plan and shall keep the Properties in a clean and slightly condition at all times and cause janitorial and maintenance work to be performed promptly and efficiently so as to fulfill Owners' obligation under any lease or governmental regulation, order or ordinance. Manager shall also make or cause to be made all necessary repairs and shall purchase, in reasonable quantities and at reasonable prices, all material and supplies necessary or proper for maintenance and operation of the Properties consistent with the Operating Plan. Manager shall provide regular and systematic inspections of the buildings, grounds, utilities, and parking areas in order to comply with requirements concerning the Properties imposed on Owners by contractual agreements, law, ordinance, regulation, order or other governmental action. Estimates and details relating to any repairs, maintenance, decorations, and alterations in excess of (i) 10% of the budget but at least \$5,000.00 or (ii) \$10,000.00 shall be submitted to Owners as part of, or in addition to, the Operating Plan described in Paragraph 4 above.

(c) Manager shall handle complaints and requests from tenants and third parties, inform tenants of any rules, regulations or notices which may be promulgated by Owners or Manager; notify Owners promptly (together with copies of supporting papers) of any notice of violation of governmental requirements, or of any substantial defects in the Properties; and notify Owners of any fire or other damage to the Properties.

(d) Manager shall promptly notify Owners of any personal injury or property damage suffered or claimed by any tenant or third party on or with respect to any of the Properties and Manager shall promptly forward to Owners any summons, subpoena,

or other like legal documents served upon Manager relating to actual or alleged potential liability of Owners, Manager or the Properties. Manager shall also notify the prescribed insurance carrier of Owners and furnish a copy of the notification to Owners.

(e) Manager shall exercise reasonable diligence to maintain, safeguard and preserve materials, equipment and supplies which at any time shall be stored on any of the Properties premises.

(f) Subject to the Operating Plan, Manager shall perform any and all duties, services or other obligations of Owners to each and every tenant of the Properties as set forth in the lease with said tenant.

(g) Manager shall cause the Properties to be kept, maintained, used and occupied in compliance with all applicable laws, statutes and government regulations and codes, any certificate of occupancy or other governmental permit, the provisions of any lease agreement or other instrument affecting the Properties. (For purposes of subparagraphs (f) and (g) of this Paragraph 13, Manager shall retain copies of all leases, agreements and other instruments affecting the Properties.)

(h) Manager shall be responsible for the implementation of any and all decisions in connection with the Properties, and for initiating and taking such other actions (not inconsistent with this Agreement) in the management and administration of the Properties as to achieve the maximum efficiency and success thereof for the benefit of Owners, consistent with the Operating Plan as it may be amended.

(i) Manager shall, on behalf of Owners, provide services in the nature of construction management to a tenant to which the Owners provide tenant improvements or other construction, as that term is defined in Paragraph 18.

14. Emergencies.

Notwithstanding anything to the contrary in this Agreement, including but not limited to the terms of Paragraph 5(c), in the event of any emergency, or in circumstances which Manager reasonably believes the Properties are threatened, Manager shall have the right to incur, without the prior consent of Owners', costs and expenses in connection with emergencies occurring, which Manager reasonably believes would be approved by Owners if there were sufficient time to obtain Owners' consent. Manager shall be entitled to reimbursement from the Property Checking Account for such costs for such emergency action.

15. Leasing.

Manager shall exercise reasonable efforts to renew or modify existing leases in accordance with the following terms and conditions and assist in the leasing of any vacant space. Manager shall negotiate leases with tenants in accordance with leasing guidelines as set forth in the Operating Plan or as otherwise set forth by Manager regarding rental rate, leasehold improvements, concessions and other similar items. All leases and work-letter agreements shall be approved by Manager. Immediately following prospective execution and delivery of the lease to Manager, Manager shall immediately forward to Owners the lease and space plan (and work-letter agreement, if any) and an estimate of the costs of any leasehold improvements to be paid for by Owners. All lease renewals,



additional space agreements, lease amendments, cancellations and any other agreements with existing or prospective tenants shall be similarly transmitted to Owners.

16. Debt Service.

Manager shall pay all payments of principal and interest on all financing and all payments of ground rental arising from the lease, trust deed, or mortgage of the land underlying the Properties, if any, from each Property Checking Account.

17. Management Fee.

(a) Management Fee. As compensation for the services of Manager hereunder, Manager shall receive from the Property Checking Accounts, a management fee (the "Management Fee") equal to six (6%) percent of gross receipts of each of the Properties.

(b) Payment Terms. The Management Fee shall be earned and payable monthly from each Property Checking Account.

18. Construction Management Fee.

Manager shall be entitled to reimbursement on all capital and leasehold improvements to cover the cost of such personnel being employed to manage such construction. To the extent the Property has funds to provide reimbursement, Manager is authorized to take the reimbursement from the Property Checking Account. If there are not sufficient funds to provide for such reimbursement, Owner shall advance or reimburse Manager, as Manager requests.

19. Final Accounting.

Upon the termination of this Agreement, Manager shall render to Owners a final accounting (herein referred to as the "Final Accounting"), which shall cover the period from the date of the last financial report which was provided to Owners to the termination date. If Owners agree with the Final Accounting they shall approve said accounting. In such case all funds in the Property Checking Accounts as of the termination date shall be paid to Owners and simultaneously therewith, each party shall promptly pay to the other all amounts due to such other party as stated in the approved Final Accounting. Upon such payment neither party shall have any further claim or right against the other with respect to such Final Accounting except as expressly provided herein. In the event Owners disagree with the Final Accounting, then Owners and/or Manager shall have the right to commence an arbitration proceeding as provided in this Agreement. In such case, all funds in the Property Checking Accounts as of the termination date less any amounts in dispute shall be paid to Owners. Manager agrees to cooperate to cause an orderly transition of management and operation of the Properties without detriment to the rights of Owners or to the continued operation of the Properties.

20. Termination.

(a) Notwithstanding anything to the contrary in this Agreement, any of the parties to this Agreement may cancel this Agreement at any time prior to the death of Serota.

(b) Owners shall have the right to terminate this Agreement at any time for any material breach by Manager in the performance of his duties under this Agreement,

provided that Owners shall give Manager sixty (60) days written notice and an opportunity to cure any such breach during such period in the event of a breach involves the payment or nonpayment of money, or thirty (30) days written notice and an opportunity to cure such breach during such period in the event of any other breach.

(c) In addition to Owners' right to terminate this Agreement due to a material breach by Manager of its duties under this Agreement as provided in subparagraph (b) of this Paragraph 20, Owners may terminate this Agreement upon the happening of any one of the following events: (i) Manager or any of his senior level employees have been or are convicted of any offense punishable as a felony or involving moral turpitude, immoral conduct or dishonesty; (ii) all of the Properties are sold without replacing the Properties with similar properties; (iii) Manager's interests in any entity which is managing the Properties (the "Entity") shall no longer be more than fifty (50%) percent of all outstanding interests in said Entity; (iv) Manager and/or the Entity seeks protection from creditors under the Bankruptcy laws of the United States or similar laws of any state; (v) an involuntary petition in bankruptcy is filed against the Entity and/or Manager which is not discharged within sixty (60) days from the initial date of filing; (vi) Manager and/or the Entity seeks or agrees to any voluntary arrangement in lieu or substitution for any of the events specified on (iv) or (v) immediately above; (vii) Manager dies; (viii) Manager becomes disabled such that he is unable to perform his duties under this Agreement for a period of ninety (90) consecutive days or one hundred twenty (120) days in any one (1) year consecutive period; or (ix) the Entity is dissolved, terminated and/or liquidated.



(d) Manager shall have the right to terminate this Agreement at any time for any material breach by Owners in the performance of their duties under this Agreement, provided that Manager shall give Owners sixty (60) days written notice and an opportunity to cure such breach during such period in the event of a breach involves payment or nonpayment of money, or thirty (30) days written notice and an opportunity to cure such breach during such period in the event of any other breach.

21. Increase/Decrease of Properties.

The parties hereto agree that Serota personally and not through any Power of Attorney on behalf of Serota may, at any time prior to Serota's death, delete any of the Properties or add properties to be managed by Manager pursuant to this Agreement by executing a written instrument referring to this Agreement.

22. Assignment.

Manager may assign this Agreement to an entity in which he is the principal owner (i.e., more than fifty (50%) percent of the interest in said entity shall be owned by Manager) and Manager shall be the principal Manager of the Properties. In the event of such assignment and the assumption of responsibility by such assignee, Scimone shall no longer be personally responsible for obligations under this Agreement.

23. Limitation of Liability of Manager.

Manager shall be liable for, and shall indemnify, defend, and hold and save Owners free and harmless from any and all claims, damages, loss, liabilities, costs (including reasonable attorney's fees), causes of action, or suits resulting from any "grossly negligent act or omission" or willful misconduct of Manager, his agents, employees, or officers in

performing his duties under this Agreement. For purposes of this Paragraph 23, "gross negligence act or omission" shall include but not be limited to, poor or negligent business judgment which has continued over an extended period of time. It is expressly agreed that the foregoing provisions of this Paragraph shall survive the termination of this Agreement, but this shall not be construed to mean that Manager's liability does not survive as to other provisions of this Agreement. Except for matters involving the Manager's "grossly negligent act or omission" or willful misconduct, Manager shall not be liable for any such claim, damage, loss, liability, cost or cause of action or suit.

24. Arbitration.

The parties agree that any dispute, controversy or claim arising out of or relating to this Agreement or the breach thereof, including but not limited to matters contained in the annual reports or Final Accounting, shall be submitted to and determined by arbitration pursuant to the rules of the American Arbitration Association. Unless otherwise provided in this Agreement, any Arbitration must be commenced within two years from the arising of the breach, dispute, controversy or claim, unless the period would otherwise be tolled pursuant to the provisions of the New York Civil Practice Laws and Rules as it pertains to the tolling of the statute of limitations. If not timely commenced, no arbitration or lawsuit may be commenced thereafter with regard to such matter nor may the same be asserted in any subsequent arbitration or lawsuit by way of a counterclaim or affirmative defense. The issues shall be submitted to one (1) impartial arbitrator selected from panels of arbitrators of said association if the amount in controversy is One Hundred Thousand (\$100,000.00) Dollars or less. If the amount in controversy is in excess of One Hundred

Thousand (\$100,000.00) Dollars and/or any other relief is sought, the issues shall be submitted to three (3) impartial arbitrators selected from panels of arbitrators of said association and in such case, the majority decision of the arbitrators shall be sufficient. Any award rendered shall be binding upon the parties and judgment upon such award may be entered in any court of competent jurisdiction. The arbitrator(s) shall have the power to award a decree of specific performance, punitive damages, temporary or permanent injunctive relief or any other legal or equitable remedy and said award shall be binding upon the parties as though decreed by a court of competent jurisdiction. In addition, the arbitrator(s) shall retain the right to award equitable relief in order to carry out the provisions of this Agreement and/or to effectuate the mechanisms set forth in this Agreement. However, the decisions and rulings of the arbitrator(s) must be in writing setting forth findings of fact and law and shall be consistent with and limited to the terms of this Agreement. Any decree or finding inconsistent with this Agreement may be challenged by any party in a court of competent jurisdiction. All costs, expenses and fees of the arbitration and expert witness and attorneys' fees shall be paid as directed by the arbitrator(s), who shall have the power to award the prevailing party all expert witness, attorneys' fees, costs and expenses. Each party shall bear its own costs, fees and expenses not awarded by the arbitrator(s). Notwithstanding anything to the contrary contained in this Paragraph any party shall have the right to apply to a court of competent jurisdiction for and to obtain a temporary restraining order and/or injunctive relief in order to prevent or ameliorate irreparable damage pending the commencement and outcome of arbitration.



25. Notices.

All notices or other communications required to be given under this Agreement shall be valid only if in writing and sent by registered mail, certified mail, Express Mail, return receipt requested, or by overnight courier or personal delivery with proof of delivery request to the person(s) entitled thereto at their respective addresses as set forth below:

(a) While Serota is Living

If to Serota and/or any of the Owners:

Nathan L. Serota  
70 East Sunrise Highway  
Valley Stream, NY 11581

If to Manager:

Joseph V. Scimone  
2 Willow Road  
Old Bethpage, NY 11804

(b) After Serota's death

If to Scimone:

Joseph V. Scimone  
2 Willow Road  
Old Bethpage, NY 11804

If to: Serota Patchogue, LLC  
Serota Hewlett, LLC  
Serota Brooktown III, LLC  
Serota Cutchogue, LLC  
Serota Holbrook, LLC  
Serota Northport, LLC  
Serota Island Park, LLC  
Serota Roosevelt, LLC  
70 East Sunrise Highway, LLC  
Serota Mill Road, LLC

Vivian Serota  
895 Park Avenue, Apt. 8A  
New York, NY 10021

If to: Serota Brooktown I & II, LLC  
Serota Valley Stream, LLC  
Serota Wading River, LLC  
Sons East Meadow, LLC  
Sons Eastport, LLC  
Sons Riverhead, LLC  
Sons Riverhead II, LLC  
349-351 WFP Shirley, LLC  
409-423 WFP Shirley, LLC  
655 Montauk, LLC  
3600 Long Beach Road, LLC  
3644 Long Beach Road, LLC  
Rolln Realty, LLC  
Charles Serota and Geoffrey Serota  
4 Clover Court  
East Norwich, NY 11732

If to: Serota Farmingville, LLC  
Serota Smithtown, LLC  
Serota Middle Island, LLC  
Serota Islip, LLC  
Serota Brown Court II, LLC  
Vivian Serota  
895 Park Avenue, Apt. 8A  
New York, NY 10021 and

Charles Serota and Geoffrey Serota  
4 Clover Court  
East Norwich, NY 11732

or to such other address as a party or their attorney may hereafter designate in accordance with the notice provisions of this Agreement. All such notices or other communications shall be properly addressed with appropriate postage/costs prepaid. All such notices or communications shall be deemed given when delivered to the proper party unless the intended recipient refuses to accept the same or the notice is returned as undeliverable because the intended recipient did not sign the requested receipt or failed

to pick up the notice from the office of the carrier. In such event, such notice or communication shall be deemed given when such delivery was first attempted to be made on the intended recipient.

26. Separability.

If any term, provision, limitation or restriction of this Agreement or the application thereof to any person or circumstances shall, to any extent, be determined by any court having jurisdiction to be invalid, illegal or unenforceable, then (a) the parties agree that said term, provision, limitation or restriction be enforced to the extent permitted by law and (b) the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected thereby, and each term, provision, limitation or restriction of this Agreement shall continue in full force and effect and shall be valid and be enforced to the fullest extent permitted by law, as though such invalid, illegal or unenforceable term, provision, limitation or restrictions were not originally a part hereof.

27. Binding Effect.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their respective distributees, successors, legal representatives, heirs and assigns.

28. Governing Law.

This Agreement shall be deemed to have been made and executed in the State of New York and all matters pertaining to its enforcement and interpretation shall be governed by and construed in accordance with the laws of that State.



29. Complete Agreement.

This Agreement contains the full and complete understanding between the parties and supersedes all prior agreements and understandings between them concerning all matters contained herein.

30. Waiver and Modification.

Except as otherwise provided in this Agreement, no waiver or modification of any provision hereof or of any of the rights or remedies of the parties hereto shall be valid unless it is in writing and signed by the party to be charged therewith. No waiver of any of the provisions of this Agreement or any waiver of any breach hereof shall be deemed a waiver of any other provision or a waiver of any future breach of said provision.

31. Neutrality

Whenever reference to one gender is used in this Agreement, it shall be deemed to include the other or neutral gender and whenever the plural or singular is used, it shall include the other unless the context indicates otherwise.

32. Paragraph Headings.

The paragraph headings of this Agreement are for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement nor in any way affect this Agreement. The headings shall not form a part of this Agreement or affect its interpretation.

33. Execution in Counterparts.

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

IN WITNESS WHEREOF, the parties hereto have signed and acknowledged this Agreement as of the day, month and year first written above.

SEROTA PATCHOGUE, LLC  
SEROTA FARMINGVILLE, LLC  
SEROTA SMITHTOWN, LLC  
SEROTA MIDDLE ISLAND, LLC  
SEROTA HEWLETT, LLC  
SEROTA BROWN COURT II, LLC  
SEROTA BROOKTOWN I & II, LLC  
SEROTA BROOKTOWN III, LLC  
SEROTA CUTCHOGUE, LLC  
SEROTA HOLBROOK, LLC  
SEROTA NORTHPORT, LLC  
SEROTA ISLAND PARK, LLC  
SEROTA ROOSEVELT, LLC  
SEROTA VALLEY STREAM, LLC  
SONS EAST MEADOW, LLC  
SONS EASTPORT, LLC  
SONS RIVERHEAD, LLC  
SONS RIVERHEAD II, LLC  
SEROTA WADING RIVER, LLC  
S&O REALTY, LLC  
349-351 WFP SHIRLEY, LLC  
409-423 WFP SHIRLEY, LLC  
70 EAST SUNRISE HIGHWAY, LLC  
655 MONTAUK LLC  
3800 LONG BEACH ROAD, LLC  
3844 LONG BEACH ROAD, LLC  
SEROTA MILL ROAD, LLC  
ROLIN REALTY, LLC  
SEROTA ISLIP, LLC

  
\_\_\_\_\_  
NATHAN L. SEROTA

  
\_\_\_\_\_  
JOSEPH V. SCIMONE

  
\_\_\_\_\_  
NATHAN L. SEROTA as Managing Member  
of all of the above entities

# ACKNOWLEDGEMENT

STATE OF NEW YORK )  
: ss.:

COUNTY OF NASSAU )

On the 8<sup>th</sup> day of April in the year 2003, before me, the undersigned, a Notary Public in and for the State, personally appeared Nathan Serota, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

*Michael M. Cassidy*  
Notary Public  
MICHAEL M. CASSIDY  
NOTARY PUBLIC, State of New York  
No. 02CA5019950  
Qualified in Nassau County  
Commission Expires Jan. 21, 2014

STATE OF NEW YORK )  
: ss.:

COUNTY OF NASSAU )

On the 8<sup>th</sup> day of April in the year 2003, before me, the undersigned, a Notary Public in and for the State, personally appeared Joseph Schmone, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

*Michael M. Cassidy*  
Notary Public  
MICHAEL M. CASSIDY  
NOTARY PUBLIC, State of New York  
No. 02CA5019950  
Qualified in Nassau County  
Commission Expires Jan. 21, 2014

STATE OF NEW YORK )  
: ss.:

COUNTY OF NASSAU )

On the 8<sup>th</sup> day of April in the year 2003, before me personally came NATHAN SEROTA, to me known, who, being by me duly sworn, did depose and say that he resides in Valley Stream, NY, that he is a managing member of Serota Patchogue, LLC, Serota Farmingville, LLC, Serota Smithtown, LLC, Serota Middle Island, LLC, Serota Hewlett, LLC, Serota Brown Court II, LLC, Serota Brooktown I & II, LLC, Serota Brooktown III, LLC, Serota Cutchogue, LLC, Serota Holbrook, LLC, Serota Northport, LLC, Serota Island Park, LLC, Serota Roosevelt, LLC, Serota Valley Stream, LLC, Sons East Meadow, LLC, Sons Eastport, LLC, 349-351 WFP Shirley, LLC, 409-423 WFP Shirley, LLC, 70 East Sunrise Highway, LLC, 655 Montauk LLC, 3600 Long Beach Road, LLC, 3644 Long Beach Road, LLC, Serota Mill Road, LLC, Rollin Realty, LLC, Serota Islip, LLC, Sons Riverhead, LLC, Sons Riverhead II, LLC, Serota Wading River, LLC, S&O Realty, LLC, the limited liability companies described in and which executed the above instrument; that he is authorized to sign the above instrument on behalf of the limited liability companies and that he signed his name thereto thereby binding the said limited liability companies.

*Michael M. Cassidy*  
Notary Public

MICHAEL M. CASSIDY  
NOTARY PUBLIC, State of New York  
No. 02CA5019950  
Qualified in Nassau County  
Commission Expires Jan. 21, 2014

MICHAEL M. CASSIDY  
NOTARY PUBLIC, State of New York  
No. 02CA5019950  
Qualified in Nassau County  
Commission Expires Jan. 21, 2014



## PROPERTY OWNERS

### CURRENT OWNER

### CURRENT PROPERTIES

1.	Serota Patchogue, LLC	Waldbaum's Center
2.	Serota Farmingville, LLC	Compare Center
3.	Serota Smithtown, LLC	Pizzeria Uno Center
4.	Serota Middle Island, LLC	Genovese Center
5.	Serota Hewlett, LLC	Rite Aid Center
6.	Serota Brown Court II, LLC	Warehouse/Transfer Station, Oceanside
7.	Serota Brooktown I & II, LLC	Waldbaum's Sony Centers
8.	Serota Brooktown III, LLC	Kmart Center
9.	Serota Cutchogue, LLC	King Kullen/Genovese Center
10.	Serota Holbrook, LLC	Waldbaum's Center
11.	Serota Northport, LLC	King Kullen Center
12.	Serota Island Park, LLC	Foodtown/Outback Center
13.	Serota Roosevelt, LLC	Western Beef Center
14.	Serota Valley Stream, LLC	King Kullen
15.	Sons East Meadow, LLC	Pathmark/Marshall's Center
16.	Sons Eastport, LLC	King Kullen/Genovese Center
17.	Sons Riverhead, LLC	Target/Sports Authority Center, Riverhead
18.	Sons Riverhead II, LLC	4 lots on Harrison Avenue, Riverhead
19.	Serota Wading River, LLC	King Kullen/ CVS Wading River
20.	S&O Realty, LLC	CVS@Valley Stream
21.	349-351 WFP Shirley, LLC	Small Tenants
22.	409-423 WFP Shirley, LLC	Small Tenants
23.	70 East Sunrise Highway, LLC	Office Building
24.	655 Montauk LLC	Waldbaum's Center
25.	3600 Long Beach Road, LLC	Marshall, Kohls, Waldbaum's Ctr
26.	3644 Long Beach Road, LLC	Zalmy Brainy/Washington Mutual Ctr.
27.	Serota Mill Road, LLC	Small Tenants
28.	Rolln Realty, LLC	Office Building - 99 Quentin Roosevelt Blvd.
28.	Serota Islip, LLC	Garden City
		135 Acres - Vacant Land

## SCHEDULE A