

## LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT (this "Agreement") is made as of this 14th day of March, 2006, by and between **[See Attached Rider - Insert A]** ("Landlord") and **[See Attached Rider - Insert A]**, as debtor and debtor-in-possession ("Tenant").

### W I T N E S S E T H :

WHEREAS, Landlord and Tenant (or its predecessor in interest) entered into a lease dated **[See Attached Rider - Insert B]** (as the same may have been amended from time to time, and together with any and all other leases or agreements affecting the Premises (as defined below), the "Lease"), covering certain premises commonly known as **[See Attached Rider - Insert B]** (the "Premises"), on the terms and conditions set forth therein; and

WHEREAS, on January 12, 2006, Tenant filed a voluntary petition for relief under Chapter 11 of Title 11 of the U.S. Code, 11 U.S.C. § 101 et seq., as amended (the "Bankruptcy Code"), Case No. 06-10064 in the U.S. Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"); and

WHEREAS, except as otherwise provided herein, and subject to the conditions set forth herein, the parties desire to terminate the Lease, effective as of the Termination Date (as defined below).

NOW, THEREFORE, in consideration of Landlord's waiver of claims set forth below and the payment of \$**[See Attached Rider - Insert C]** in cash to the Tenant (the "Cash Consideration"), and the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby covenant and agree as follows:

1. As of the Termination Date, Tenant hereby surrenders the Premises to Landlord and does hereby give, grant and surrender unto Landlord all of Tenant's right, title and interest in and to the Premises, including, without limitation, all of Tenant's right, title and interest in, to and under the Lease, and Landlord hereby accepts such surrender. Each of the parties hereto acknowledges performance of all obligations of the other party under this Lease or otherwise in connection with the Premises through and including the date of this Agreement, and agree that, from and after the Termination Date, the Lease and all rights and obligations of the parties thereunder, shall be deemed to have expired and terminated as fully and completely and with the same force and effect as if such date were the termination date set forth in the Lease, and that the Lease is hereby agreed to be null and void and of no further force and effect as of that date. In addition, any and all rights and obligations of the parties which may have arisen in connection with the Premises shall be deemed to have expired and terminated as of the Termination Date.

2. Except as set forth herein, as of the Termination Date, Landlord hereby releases and discharges Tenant and its affiliates, agents, directors, officers, representatives, attorneys, advisors, employees, successors and assigns, of and from all manner of actions, causes of action, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, controversies, agreements, promises, variances, trespasses, damages, judgments, claims and demands whatsoever, in law or in equity, which Landlord ever had, now has or hereafter can, shall or may have against Tenant or its successors or assigns for, upon or by reason of any matter, cause or thing whatsoever relating to or arising out of the Lease, this Agreement or the Premises, including but not limited to, any and all

lease rejection claims (whether under Section 502 of the Bankruptcy Code or otherwise), administrative expense claims, or claims relating to Tenant's pre or post petition use and occupancy of the Premises.

3. To the extent Landlord has filed or does file any proof of claims with respect to the Lease or the Premises, Landlord consents to the expungement and disallowance of such claims, with prejudice.

4. This Agreement and each of its provisions are binding upon and shall inure to the benefit of Tenant's successors and assigns including a trustee, if any, subsequently appointed under Chapter 7 or 11 of the Bankruptcy Code.

5. This Agreement is subject to the approval of the Bankruptcy Court. Upon full execution of this Agreement, and provided that Tenant deems Landlord's bid at an auction (to be conducted with respect to the tenant's real property leasehold interests) for the Lease to be the highest and best bid for the Lease, Tenant will promptly seek Bankruptcy Court approval of such Agreement. For purposes of this Agreement the "Termination Date" shall be the later of the date of (a) Tenant's receipt of the Cash Consideration, and (b) the date of entry of an order of the Bankruptcy Court approving this Agreement.

6. The parties hereto each warrant and represent that it has the right and authority to enter into this Agreement, subject with respect to Tenant, to the approval of the Bankruptcy Court.

7. This Agreement, and any agreement and/or instruments delivered in connection herewith, contains the entire agreement between the parties hereto and, except as otherwise specifically set forth herein, supersedes all prior agreements and undertaking between the parties hereto or any of them or any of their affiliates relating to the subject matter hereof.

8. This Agreement may be executed in any number of counterparts, by original or facsimile signature, each of which when executed and delivered shall be deemed an original, and such counterparts together shall constitute one instrument.

9. The Bankruptcy Court shall retain exclusive jurisdiction, and the parties hereto submit to such jurisdiction, to determine or resolve any and all objections or disputes arising out of or relating to this Agreement or the Lease.

[Remainder of page intentionally left blank]

10. IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date and year first written above.

LANDLORD

By: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT

By: \_\_\_\_\_

Its: \_\_\_\_\_

## **RIDER TO LEASE TERMINATION AGREEMENT**

### **Insert A - Parties**

Landlord	Tenant

### **Insert B - Lease Termination**

Store No.	Lease Date	Address of Premises

### **Insert C - Cash Consideration**

Cash Consideration: \_\_\_\_\_

### **Insert D - Other**

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LANDLORD

By: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT

By: \_\_\_\_\_

Its: \_\_\_\_\_