

FEDERATED
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the Developer and the other Department Stores, elect to be released from all further obligations under Section 6.01 hereof terminate this Agreement and exclude its Site from the operation and effect of the Operating Agreement. In the event Federated makes such election the same shall be effective as of the date which is sixty (60) days after the date the notice contemplated hereunder is received by the Developer and the other Department Stores. It is understood and agreed that (i) any amendment or modification made to any Supplemental Operating Agreement by reason of the order or decree of any court of governmental or quasi-governmental agency or (ii) any failure or omission of the Developer to insist upon the strict performance by any Department Store of any term, condition or covenant on the part of such Department Store to be performed pursuant to the terms of its Supplemental Operating Agreement whether through the exercise by the Developer of any option, right, power or remedy with respect thereto or otherwise shall not now or hereafter be deemed or construed as a modification or amendment to any Supplemental Operating Agreement. In the event Federated shall be in default of its operating covenant as set forth in its Supplemental Operating Agreement with the Developer, Federated shall be deemed to have waived its right to consent to any amendment or modification made by the Developer with respect to the Supplemental Operating Agreement of any other Department Store and any such amendment shall be effective and binding on Federated notwithstanding that Federated did not consent thereto. Federated acknowledges that no modification or amendment of this Agreement shall be effective unless Penney shall have consented thereto.