

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

(Date of earliest event reported): December 29, 2008

Tanger Factory Outlet Centers, Inc.
Tanger Properties Limited Partnership
(Exact Name of Registrant as Specified in Charter)

North Carolina
North Carolina
(State or Other Jurisdiction
of Incorporation)

1-11986
33-99736-01
(Commission
File Number)

56-1815473
56-1822494
(IRS Employer
Identification No.)

3200 Northline Avenue, Suite 360 Greensboro, NC 27408
(Address of Principal Executive Offices, including Zip Code)
3200 Northline Avenue, Suite 360 Greensboro, NC 27408
(Address of Principal Executive Offices, including Zip Code)

Registrant's telephone number, including area code: **(336) 292-3010**

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 5 – Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On December 29, 2008, in light of Section 409A of the Internal Revenue Code of 1986, as amended, and the Treasury regulations and other guidance issued thereunder, the Share and Unit Option Committee of Tanger Factory Outlet Centers, Inc. (the "Company") approved an amended and restated Incentive Award Plan. The material amended and restated provisions of the Incentive Award Plan are as follows: (1) the removal of the potential award of Dividend Equivalents under the Plan, (2) clarification of the timing of, and employment conditions relating to, the payment of performance awards under the Incentive Award Plan, and (3) clarification of certain definitions and terms used in the Incentive Award Plan. No other material amendments were made to the terms and conditions of the Incentive Award Plan. The foregoing summary is qualified in its entirety by reference to the Amended and Restated Incentive Award Plan, which is filed as Exhibit 10.1 to this Form 8-K and incorporated by reference.

On December 29, 2008, the Company entered into amended and restated employment agreements (each an "Employment Agreement") with Stanley K. Tanger, Steven B. Tanger, Frank C. Marchisello, Jr., Lisa J. Morrison and Joseph H. Nehmen (collectively, the "Executives"). The Employment Agreements supersede the Executives' existing employment agreements and revise certain provisions of the prior employment agreements for the Executives in order to provide that certain payments to be made pursuant to the Employment Agreements will be exempt from or comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the Treasury regulations and other guidance issued thereunder (collectively, "Section 409A"), including (i) providing that any compensation or benefits payable to an Executive under an Employment Agreement that constitutes non-qualified deferred compensation subject to the requirements of Section 409A (the "Deferred Compensation") will be delayed for a six month period following such Executive's termination date if such Executive is deemed to be a "specified employee" (within the meaning of Section 409A) at the time of such termination of employment and (ii) providing that the Company designates the order of any payment reduction necessary in order to prevent an Executive from having any liability for the federal excise tax levied on any "excess parachute payments" under Section 4999 of the Internal Revenue Code. In addition, the Employment Agreement for Lisa Morrison has been revised to provide that in the event of a change in control of the Company (as such term is defined in the applicable Employment Agreement), if the Executive has not terminated her employment by the seventy-fifth day following such change in control, the Executive's right to severance benefits under the Employment Agreement ceases.

The Employment Agreement for Stanley K. Tanger and the Employment Agreement for Steven B. Tanger have been revised to reflect their changes in title and position effective January 1, 2009, as, respectively, Chairman of the board of directors of the Company and President and Chief Executive Officer of the Company, as previously announced in the Company's 8-K dated December 2, 2008.

The foregoing summary is qualified in its entirety by reference to the Employment Agreements, which are filed as Exhibits 10.5, 10.6, 10.7, 10.8 and 10.9 to this Form 8-K and incorporated by reference.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

The following exhibits are included with this Report:

Exhibit 10.1	Amended and Restated Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership, effective December 29, 2008.
Exhibit 10.5	Amended and Restated Employment Agreement for Stanley K. Tanger, as of December 29, 2008.
Exhibit 10.6	Amended and Restated Employment Agreement for Steven B. Tanger, as of December 29, 2008.
Exhibit 10.7	Amended and Restated Employment Agreement for Frank C. Marchisello, Jr., as of December 29, 2008.
Exhibit 10.8	Amended and Restated Employment Agreement for Lisa J. Morrison, as of December 29, 2008.
Exhibit 10.9	Amended and Restated Employment Agreement for Joseph H. Nehmen, as of December 29, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 31, 2008

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer and Secretary

TANGER PROPERTIES LIMITED PARTNERSHIP

By: TANGER GP TRUST, its sole general partner

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Vice President, Treasurer and Assistant Secretary

EXHIBIT INDEX

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THE AMENDED AND RESTATED INCENTIVE AWARD PLAN

OF

TANGER FACTORY OUTLET CENTERS, INC. AND

TANGER PROPERTIES LIMITED PARTNERSHIP

Tanger Factory Outlet Centers, Inc., a corporation organized under the laws of the state of North Carolina (the "Company"), adopted the Stock Option Plan for Directors and Executive and Key Employees of Tanger Factory Outlet Centers, Inc., (the "Plan") on May 28, 1993. The Plan has subsequently been amended from time to time. Tanger Properties Limited Partnership, a partnership organized under the laws of the state of North Carolina (the "Partnership") adopted the Partnership Unit Option Plan for Employees of Tanger Properties Limited Partnership (the "Unit Option Plan") on May 28, 1993, which plan has also subsequently been amended from time to time. In order to conform the Plan document to such amendments, to further amend the Plan in certain respects, and to merge the Unit Option Plan into the Plan, the Plan was amended, restated and renamed and adopted by the Company and the Partnership, effective as of May 14, 2004. Such Amended and Restated Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership constituted a complete amendment and restatement of the Plan in its entirety and a continuation of the Plan. The Plan also serves as the successor to the Unit Option Plan and no further options have been granted under the Unit Option Plan since May 14, 2004. All options outstanding under the Unit Option Plan on May 14, 2004 have been and, to the extent applicable, shall continue to be treated as outstanding options under the Plan. However, each outstanding option so incorporated has been and shall hereafter continue to be governed solely by the terms of the documents evidencing such option, and no provision of the Plan has been or shall be deemed to affect or otherwise modify the rights or obligations of the holders of such incorporated options with respect to their acquisition of Units or Common Shares. In order to amend the Plan in certain respects in light of Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including, without limitation, any such regulations or other guidance that may be issued after the effective date of this amendment and restatement of the Plan (collectively, "Section 409A") the Plan is now amended and restated by the Company and the Partnership, effective as of December 29, 2008.

The purposes of this Plan are as follows:

- (1) To further the growth, development and financial success of the Company and the Partnership by providing additional incentives to directors and employees of the Company, the Partnership and their subsidiaries, who have been or will be given responsibility for the management or administration of the Company's business affairs, by assisting them to become owners of the Company's Common Shares and thus to benefit directly from such growth, development and financial success.
- (2) To enable the Company, the Partnership and their subsidiaries to obtain and retain the services of the types of professional, technical and managerial employees and directors considered essential to the long range success of the Company by providing and offering them an opportunity to own Common Shares and/or rights which will reflect the growth, development and financial success of the Company.

This Plan is intended to comply with all applicable law, including the requirements of Section 409A and shall be operated and interpreted in accordance with this intention. This Plan has been operated in reasonable good faith compliance with Section 409A (within the meaning of Internal Revenue Service Notices 2005-1, 2006-79 and 2007-86) during the period beginning on January 1, 2005 and ending on the effective date of this amendment and restatement of the Plan.

ARTICLE I.

DEFINITIONS

Wherever the following terms are used in this Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The masculine pronoun shall include the feminine and neuter and the singular shall include the plural, where the context so indicates.

Section 1.1 Administrator

“Administrator” shall mean the entity that conducts the general administration of the Plan as provided herein. With reference to the administration of the Plan with respect to Awards granted to Independent Directors, the term “Administrator” shall refer to the Board. With reference to the administration of the Plan with respect to any other Award, the term “Administrator” shall refer to the Committee unless the Board has assumed the authority for administration of the Plan generally as provided in Section 9.2.

Section 1.2 Award

“Award” shall mean an Option, a Restricted Share award, a Performance Award, a Deferred Share award or a Share Payment award which may be awarded or granted under the Plan (collectively, “Awards”).

Section 1.3 Award Agreement

“Award Agreement” shall mean a written agreement executed by an authorized officer of the Company, the Partnership or a Subsidiary, as applicable, and the Holder which shall contain such terms and conditions with respect to an Award as the Administrator shall determine, consistent with the Plan.

Section 1.4 Award Limit

“Award Limit” shall mean (a) with respect to Options, 180,000 Common Shares; (b) with respect to Performance Awards, \$1,000,000; and (c) with respect to all other Awards, 60,000 Common Shares, in each case as adjusted pursuant to Section 10.3.

Section 1.5 Board

“Board” shall mean the Board of Directors of the Company.

Section 1.6 Change in Control

“Change in Control” shall mean:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding Common Shares (the “Outstanding Common Shares”) or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 1.6; or

(b) Individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another corporation (a “Business Combination”), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Common Shares and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own,

directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Common Shares and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

For purposes of this Plan, the Partnership Units shall be treated as, and aggregated with, the Common Shares and/or the Outstanding Company Voting Securities to the extent such Partnership Units are convertible into Common Shares or voting securities, respectively.

Section 1.7 Code

“Code” shall mean the Internal Revenue Code of 1986, as amended.

Section 1.8 Committee

“Committee” shall mean the Share and Unit Option Committee of the Board, appointed as provided in Section 9.1.

Section 1.9 Common Shares

“Common Shares” shall mean the common shares of the Company, par value \$0.01 per share.

Section 1.10 Company

“Company” shall mean Tanger Factory Outlet Centers, Inc., a North Carolina corporation.

Section 1.11 Company Employee

“Company Employee” shall mean any employee (as defined in accordance with Section 3401(c) of the Code) of the Company or of any Company Subsidiary.

Section 1.12 Company Subsidiary

“Company Subsidiary” shall mean (i) a corporation, association or other business entity of which 50% or more of the total combined voting power of all classes of capital stock is owned, directly or indirectly, by the Company or by one or more Company Subsidiaries or by the Company and one or more Company Subsidiaries, (ii) any partnership or limited liability company of which 50% or more of the capital and profits interests is owned, directly or indirectly, by the Company or by one or more Company Subsidiaries or by the Company and one or more Company Subsidiaries, and (iii) any other entity not described in clauses (i) or (ii) above of which 50% or more of the ownership and the power, pursuant to a written contract or agreement, to direct the policies and management or the financial and other affairs thereof, are owned or controlled by the Company or by one or more other Company Subsidiaries or by the Company and one or more Company Subsidiaries; provided, however, that “Company Subsidiary” shall not include the Partnership or any Partnership Subsidiary.

Section Deferred Shares
1.13

“Deferred Shares” shall mean Common Shares awarded under Article VIII of the Plan.

Section Director
1.14

“Director” shall mean a member of the Board.

Section Employee
1.15

“Employee” shall mean any Company Employee or Partnership Employee.

Section Exchange Act
1.16

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

Section Fair Market Value
1.17

“Fair Market Value” of a Common Share as of a given date shall be (i) the closing price of the Common Shares, on the principal exchange on which Common Shares are trading, on the trading day previous to such date, or, if Common Shares were not traded on the day previous to such date, then on the next preceding trading day during which a sale occurred; (ii) if such Common Shares are not traded on an exchange but are quoted on Nasdaq or a successor quotation system, (A) the last sales price (if the Common Shares are then listed as Global Market Issue under the Nasdaq Global Market System) or (B) the mean between the closing representative bid and asked prices for the Common Shares on the trading day previous to such date as reported by Nasdaq or such successor quotation system; or (iii) if such Common Shares are not publicly traded on an exchange and not quoted on Nasdaq or a successor quotation system, the fair market value of a Common Share as established by the Administrator acting in good faith.

Section Holder
1.18

“Holder” shall mean a person who has been granted or awarded an Award.

Section Incentive Share Option
1.19

“Incentive Share Option” shall mean an option which conforms to the applicable provisions of Section 422 of the Code and which is designated as an Incentive Share Option by the Administrator.

Section Independent Director
1.20

“Independent Director” shall mean a member of the Board who is not an Employee.

Section Non-Qualified Share Option
1.21

“Non-Qualified Share Option” shall mean an Option which is not designated as an Incentive Share Option by the Administrator.

Section Option
1.22

“Option” shall mean an option to purchase Common Shares granted under Article IV of this Plan. An Option granted under this Plan shall, as determined by the Administrator, be either a Non-Qualified Share Option or an Incentive Share Option; provided, however, that Options granted to Independent Directors and to individuals other than Company Employees shall be Non-Qualified Share Options.

SectionPartnership

1.23

“Partnership” shall mean Tanger Properties Limited Partnership, a partnership organized under the laws of the state of North Carolina.

SectionPartnership Agreement

1.24

“Partnership Agreement” shall mean the Amended and Restated Agreement of Limited Partnership of Tanger Properties Limited Partnership, dated as of December 30, 1999, as the same may be amended, modified or restated from time to time.

SectionPartnership Employee

1.25

“Partnership Employee” shall mean any employee (as defined in accordance with Section 3401(c) of the Code) of the Partnership or of any Partnership Subsidiary.

SectionPartnership Holder Purchased Shares

1.26

“Partnership Holder Purchased Shares” shall have the meaning set forth in Section 6.4.

SectionPartnership Purchase Price

1.27

“Partnership Purchase Price” shall have the meaning set forth in Section 6.4.

SectionPartnership Purchased Shares

1.28

“Partnership Purchased Shares” shall have the meaning set forth in Section 6.4.

SectionPartnership Subsidiary

1.29

“Partnership Subsidiary” shall mean (i) a corporation, association or other business entity of which 50% or more of the total combined voting power of all classes of capital stock is owned, directly or indirectly, by the Partnership or by one or more Partnership Subsidiaries or by the Partnership and one or more Partnership Subsidiaries, (ii) any partnership or limited liability company of which 50% or more of the capital and profits interests is owned, directly or indirectly, by the Partnership or by one or more Partnership Subsidiaries or by the Partnership and one or more Partnership Subsidiaries, and (iii) any other entity not described in clauses (i) or (ii) above of which 50% or more of the ownership and the power, pursuant to a written contract or agreement, to direct the policies and management or the financial and other affairs thereof, are owned or controlled by the Partnership or by one or more other Partnership Subsidiaries or by the Partnership and one or more Partnership Subsidiaries.

SectionPartnership Unit; Unit

1.30

“Partnership Unit” shall have the meaning ascribed to such term in the Partnership Agreement and may be referred to herein as a “Unit”.

SectionPerformance Award

1.31

“Performance Award” shall mean a cash bonus, share bonus or other performance or incentive award that is paid in cash, Common Shares or a combination of both, awarded under Article VIII of this Plan.

SectionPerformance Criteria

1.32

“Performance Criteria” shall mean (a) the following business criteria with respect to the Company, the Partnership or any Subsidiary or any division or operating unit of either of them: (i) net income; (ii) pre-tax income; (iii) operating income; (iv) cash flow; (v) earnings per share; (vi) return on equity; (vii) return on invested capital or assets; (viii) cost reductions or savings; (ix) funds from operations; (x) appreciation in the Fair Market Value of a Common Share; (xi) total return performance on Common Shares as reported in the Company’s annual proxy statement; (l) operating profit; (m) working capital; and (n) earnings before any one or more of the following items: interest, taxes, depreciation or amortization;

provided, that each of the business criteria described in subsections (a) through (n) shall be determined in accordance with generally accepted accounting principles (“GAAP”); and (b) the following objective performance criteria as applied to any Employee: (i) lease renewals; (ii) occupancy rates; (iii) average tenant sales per square foot; and (iv) rental rates. For each fiscal year of the Company, the Committee may provide for objectively determinable adjustments, as determined in accordance with GAAP, to any of the business criteria described in subsections (a) and (b) for one or more of the items of gain, loss, profit or expense: (A) determined to be extraordinary or unusual in nature or infrequent in occurrence; (B) related to the disposal of a segment of a business; (C) related to a change in accounting principles under GAAP; (D) related to discontinued operations that do not qualify as a segment of a business under GAAP; (E) attributable to the business operations of any entity acquired by the Company or the Partnership during the fiscal year and (F) reflecting adjustments to funds from operations with respect to straight-line rental income as reported in the Company’s Exchange Act reports.

SectionPlan

1.33

“Plan” shall mean The Amended and Restated Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership.

SectionREIT

1.34

“REIT” shall mean a real estate investment trust within the meaning of Sections 856 through 860 of the Code.

SectionRestricted Share

1.35

“Restricted Share” shall mean a Common Share awarded under Article VII.

SectionRule 16b-3

1.36

“Rule 16b-3” shall mean that certain Rule 16b-3 under the Exchange Act, as such Rule may be amended from time to time.

SectionSecretary

1.37

“Secretary” shall mean the Secretary of the Company.

SectionSection 162(m) Participant

1.38

“Section 162(m) Participant” shall mean any Employee designated by the Administrator as an individual whose compensation for the fiscal year of such designation or a future fiscal year may be subject to the limit on deductible compensation imposed by Section 162(m) of the Code.

SectionSection 409A

1.39

“Section 409A” shall have the meaning set forth in the preamble.

SectionShare Payment

1.40

“Share Payment” shall mean (a) a payment in the form of Common Shares, or (b) an option or other right to purchase Common Shares, as part of a deferred compensation arrangement, made in lieu of all or any portion of the compensation, including without limitation, salary, bonuses and commissions, that would otherwise become payable to an Employee or Independent Director in cash, awarded under Article VIII of the Plan.

SectionSubsidiary

1.41

“Subsidiary” shall mean any Company Subsidiary or Partnership Subsidiary.

Section Termination of Directorship

1.42

“Termination of Directorship” shall mean the time when a Holder who is an Independent Director ceases to be a Director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement; provided, that, in any such case, such termination constitutes a “separation from service” within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations. The Board, in its sole discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to Independent Directors.

Section Termination of Employment

1.43

“Termination of Employment” shall mean the time when the employee-employer relationship between a Holder and the Company, the Partnership or any Subsidiary of either of them is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; provided, that, in any such case, such termination constitutes a “separation from service” within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations; but excluding (i) a termination where there is a simultaneous reemployment or continuing employment of such Holder by the Company, the Partnership or any Subsidiary of either of them, (ii) at the discretion of the Administrator, a termination which results in a temporary severance of the employee-employer relationship, and (iii) at the discretion of the Administrator, a termination which is followed by the simultaneous establishment of a consulting relationship by the Company, the Partnership or any Subsidiary of either of them with the former employee. The Administrator, in its sole discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a Termination of Employment resulted from a discharge for good cause, and all questions of whether a particular leave of absence constitutes a Termination of Employment; provided, however, that, unless otherwise determined by the Administrator in its discretion, a leave of absence, change in status from an Employee to an independent contractor or other change in the employee-employer relationship shall constitute a Termination of Employment if, and to the extent that, such leave of absence, change in status or other change interrupts employment for the purposes of Section 422(a)(2) of the Code and the then applicable regulations and revenue rulings under said Section.

ARTICLE II.

SHARES SUBJECT TO PLAN

Section 2.1

Shares Subject to Plan

(a) Subject to Section 2.2 and adjustment pursuant to Section 10.3, the aggregate number of Common Shares (or Units) which may be issued with respect to Awards under the Plan shall not exceed 3,000,000. Such limitation shall be reduced by one for each Unit issued pursuant to the exercise of options granted under the Unit Option Plan. The Common Shares issuable with respect to Awards may be either previously authorized but unissued shares or treasury shares.

(b) The maximum number of Common Shares which may be subject to Awards granted under the Plan to any individual in any calendar year shall not exceed the Award Limit. To the extent required by Section 162(m) of the Code, shares subject to Options which are canceled continue to be counted against the Award Limit.

Section 2.2

Share Counting

Notwithstanding Section 2.1(a): (i) the Administrator may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of tandem or substitute awards), and make adjustments if the number of Common Shares actually delivered differs from the number of shares previously counted in connection with an Award; (ii) Common Shares that are potentially deliverable under any Award that expires or is canceled, forfeited, settled in cash or otherwise terminated without a delivery of such shares to the Holder will not be counted as delivered under the Plan; (iii) Common Shares that have been issued in connection with any Award (e.g., Restricted Shares) that is canceled, forfeited, or settled in cash such that those shares are returned to the Company will again be available for Awards; and (iv) Common Shares withheld in payment of the

exercise price or taxes relating to any Award and shares equal to the number surrendered in payment of any exercise price or taxes relating to any Award shall be deemed to constitute shares not delivered to the Holder and shall be deemed to be available for Awards under the Plan; *provided, however*, that, no shares shall become available pursuant to this Section 2.2 to the extent that (x) the transaction resulting in the return of shares occurs more than ten years after the date of the most recent shareholder approval of the Plan, or (y) such return of shares would constitute a “material revision” of the Plan subject to shareholder approval under then applicable rules of the New York Stock Exchange (or any other applicable exchange or quotation system). In addition, in the case of any Award granted in substitution for an award of a company or business acquired by the Company, the Partnership or any Subsidiary, Common Shares issued or issuable in connection with such substitute Award shall not be counted against the number of shares reserved under the Plan, but shall be available under the Plan by virtue of the Company’s assumption of the plan or arrangement of the acquired company or business. This Section 2.2 shall apply to the share limit imposed to conform to the regulations promulgated under the Code with respect to Incentive Share Options only to the extent consistent with applicable regulations relating to Incentive Share Options under the Code. Because shares will count against the number reserved in Section 2.1 upon delivery, the Administrator may, subject to the share counting rules under this Section 2.2, determine that Awards may be outstanding that relate to a greater number of shares than the aggregate remaining available under the Plan, so long as Awards will not result in delivery and vesting of shares in excess of the number then available under the Plan. For purposes of this Section 2.2, Units under options granted under the Unit Option Plan will be treated as, and aggregated with, Common Shares.

ARTICLE III.

GRANTING OF AWARDS

Section 3.1 Award Agreement

Each Award shall be evidenced by an Award Agreement. Award Agreements evidencing Awards intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall contain such terms and conditions as may be necessary to meet the applicable provisions of Section 162(m) of the Code.

Section 3.2 Provisions Applicable to Section 162(m) Participants

(a) The Committee, in its discretion, may determine whether or not an Award is to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code.

(b) Notwithstanding anything in the Plan to the contrary, the Committee may, in its sole discretion, grant any Award to a Section 162(m) Participant, including Restricted Shares the restrictions with respect to which lapse upon the attainment of performance goals which are related to one or more of the Performance Criteria, and any performance or incentive award described in Article VIII that vests or becomes exercisable or payable upon the attainment of performance goals which are related to one or more of the Performance Criteria.

(c) To the extent necessary to comply with the performance-based compensation requirements of Section 162(m)(4)(C) of the Code, with respect to any Award granted under Articles VII or VIII to a Section 162(m) Participant which is intended by the Committee to qualify as performance-based compensation, no later than ninety (90) days following the commencement of any fiscal year in question or any other designated fiscal period or period of service (or such other time as may be required or permitted by Section 162(m) of the Code), the Committee shall, in writing, (i) designate one or more Section 162(m) Participants, (ii) select the Performance Criteria applicable to the fiscal year or other designated fiscal period or period of service, (iii) establish the various performance targets, in terms of an objective formula or standard, and amounts of such Awards, as applicable, which may be earned for such fiscal year or other designated fiscal period or period of service, and (iv) specify the relationship between Performance Criteria and the performance targets and the amounts of such Awards, as applicable, to be earned by each Section 162(m) Participant for such fiscal year or other designated fiscal period or period of service. Following the completion of each fiscal year or other designated fiscal period or period of service, the Committee shall certify in writing whether the applicable performance targets have been achieved for such fiscal year or other designated fiscal period or period of service. Except as otherwise provided by any written agreement between the Company and any applicable Holder, in determining the amount earned by a Section 162(m) Participant, the Committee shall have the right to reduce (but not to increase) the amount payable at a given level of performance to take into account additional factors that the Committee may deem relevant to the assessment of individual or corporate performance for the fiscal year or other designated fiscal period or period of service.

(d) Furthermore, notwithstanding any other provision of the Plan, any Award which is granted to a Section 162(m) Participant and which is intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall be subject to any additional limitations set forth in Section 162(m) of the Code (including any amendment to Section 162(m) of the Code) or any regulations or rulings issued thereunder that are requirements for qualification as performance-based compensation as described in Section 162(m)(4)(C) of the Code, and the Plan shall be deemed amended to the extent necessary to conform to such requirements.

Section Limitations Applicable to Section 16 Persons
3.3

Notwithstanding any other provision of the Plan, the Plan and any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

Section Consideration
3.4

In consideration of an Award under the Plan, the Holder shall agree, in the written Award Agreement, to remain in the employ of (or to serve as a Director of, as applicable) the Company, the Partnership or a Subsidiary for a period of one year from the date of Award grant (or, in the case of a Director, until the next annual meeting of shareholders of the Company), or such shorter period as may be fixed by the Administrator in the Award Agreement or by action of the Administrator following grant of the Award.

Section At-Will Employment
3.5

Nothing in the Plan or in any Award Agreement hereunder shall confer upon any Holder any right to continue in the employ of the Company, the Partnership or any Subsidiary, or as a Director of the Company, or shall interfere with or restrict in any way the rights of the Company, the Partnership or any Subsidiary, which are hereby expressly reserved, to discharge any Holder at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written employment agreement between the Holder and the Company, the Partnership or any Subsidiary.

ARTICLE IV.

GRANTING OF OPTIONS

Section Eligibility
4.1

Any Employee selected by the Committee pursuant to Section 4.3(a)(i) shall be eligible to be granted an Option. Any Independent Director selected by the Board pursuant to Section 4.3(b)(i) shall be eligible to be granted an Option.

Section Qualification of Incentive Share Options
4.2

No Incentive Share Option shall be granted to any person who is not a Company Employee.

Section Granting of Options
4.3

(a) The Committee shall from time to time, in its sole discretion, and subject to applicable limitations of this Plan:

- (i) Select from among the Employees (including Employees who have previously received Awards) such of them as in its opinion should be granted Options;
 - (ii) Subject to the Award Limit, determine the number of shares to be subject to such Options granted to the selected Employees;
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- (iii) Subject to Section 4.2, determine whether such Options are to be Incentive Share Options or Non-Qualified Share Options and whether such Options are to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code; and
- (iv) Determine the terms and conditions of such Options, consistent with this Plan; provided, however, that the terms and conditions of Options intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall include, but not be limited to, such terms and conditions as may be necessary to meet the applicable provisions of Section 162(m) of the Code.

(b) The Board shall from time to time, in its sole discretion, and subject to applicable limitations of this Plan:

- (i) Determine which Independent Directors (including Independent Directors who have previously received Options) such of them as in its opinion should be granted Options; and
- (ii) Determine the terms and conditions of such Options, consistent with this Plan.

(c) Upon the selection of an Employee or Independent Director to be granted an Option, the Administrator shall instruct the Secretary to issue the Option and may impose such conditions on the grant of the Option as it deems appropriate.

ARTICLE V.

TERMS OF OPTIONS

Section 5.1 Exercise Price

The exercise price per share of the shares subject to each Option shall be set by the Administrator in its discretion; provided, however, that such price shall be no less than the Fair Market Value of a Common Share on the date the Option is granted, and, in the case of Incentive Share Options granted to an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of shares of the Company or any subsidiary or parent corporation thereof (within the meaning of Section 422 of the Code) such price shall not be less than 110% of the Fair Market Value of a Common Share on the date the Option is granted.

Section 5.2 Option Term

The term of an Option shall be set by the Administrator in its discretion; provided, however, that (i) in the case of Incentive Share Options, the term shall not be more than ten (10) years from the date the Incentive Share Option is granted, or five (5) years from such date if the Incentive Share Option is granted to an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of shares of the Company or any subsidiary or parent corporation thereof (within the meaning of Section 422 of the Code). Except as limited by requirements of Section 422 of the Code and regulations and rulings thereunder applicable to Incentive Share Options and the requirements of Section 409A, the Administrator may extend the term of any outstanding Option in connection with any Termination of Employment or Termination of Directorship, or amend any other term or condition of such Option relating to such a termination.

Section 5.3 Option Vesting

(a) The period during which the right to exercise an Option in whole or in part vests in the Holder shall be set by the Administrator and the Administrator may determine that an Option may not be exercised in whole or in part for a specified period after it is granted. At any time after grant of an Option, the Administrator may, in its sole discretion and subject to whatever terms and conditions it selects, accelerate the period during which an Option vests.

(b) No portion of an Option which is unexercisable at Termination of Employment or Termination of Directorship shall thereafter become exercisable, except as may be otherwise provided by the Administrator (other than with respect to Options granted to Independent Directors) either in the Award Agreement or by action of the Administrator following the grant of the Option.

(c) To the extent that the aggregate Fair Market Value of shares with respect to which "incentive stock options" (within the meaning of Section 422 of the Code, but without regard to Section 422(d) of the Code) are exercisable for the first time by a Holder during any calendar year (under the Plan and all other incentive stock option plans of the Company and any subsidiary) exceeds \$100,000, such Options shall be treated as Non-Qualified Share Options to the extent required by Section 422 of the Code. The rule set forth in the preceding sentence shall be applied by taking options into account in the order in which they were granted. For purposes of this Section 5.3(c), the Fair Market Value of shares shall be determined as of the time the option with respect to such shares is granted.

(d) In the event of a Change in Control, each Option granted to an Independent Director or to an Employee shall be exercisable as to all shares covered thereby immediately prior to the consummation of such Change in Control and subject to such consummation, notwithstanding anything to the contrary in this Section 5.3 or the vesting schedule of such Option.

ARTICLE VI.

EXERCISE OF OPTIONS

Section Partial Exercise
6.1

An exercisable Option may be exercised in whole or in part. However, an Option shall not be exercisable with respect to fractional shares and the Administrator may require that, by the terms of the Option, a partial exercise be with respect to a minimum number of shares.

Section Manner of Exercise
6.2

All or a portion of an exercisable Option shall be deemed exercised upon delivery of all of the following to the Secretary or his office prior to the time when such Option or such portion becomes unexercisable under the Plan or the applicable Award Agreement:

(a) A written notice complying with the applicable rules established by the Administrator stating that the Option, or a portion thereof, is exercised. The notice shall be signed by the Holder or other person then entitled to exercise the Option or such portion of the Option;

(b) Such representations and documents as the Administrator, in its sole discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act of 1933, as amended, and any other federal or state securities laws or regulations. The Administrator may, in its sole discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars;

(c) In the event that the Option shall be exercised pursuant to Section 10.1 by any person or persons other than the Holder, appropriate proof of the right of such person or persons to exercise the Option; and

(d) Full cash payment to the Secretary for the shares with respect to which the Option, or portion thereof, is exercised. However, the Administrator may in its discretion (i) allow a delay in payment up to thirty (30) days from the date the Option, or portion thereof, is exercised; (ii) allow payment, in whole or in part, through the delivery of Common Shares owned by the Holder, duly endorsed for transfer to the Company with a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; (iii) allow payment, in whole or in part, through the surrender of Common Shares then issuable upon exercise of the Option having a Fair Market Value on the date of Option exercise equal to the aggregate exercise price of the Option or exercised portion thereof; (iv) allow payment, in whole or in part, through the delivery of property of any kind which

constitutes good and valuable consideration; (v) allow payment, in whole or in part, through the delivery of a full recourse promissory note bearing interest (at no less than such rate as shall then preclude the imputation of interest under the Code) and payable upon such terms as may be prescribed by the Administrator; (vi) allow payment, in whole or in part, through the delivery of a notice that the Holder has placed a market sell order with a broker with respect to Common Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price, provided that payment of such proceeds is then made to the Company upon settlement of such sale; or (vii) allow payment through any combination of the consideration provided in the foregoing subparagraphs (ii), (iii), (iv), (v) and (vi). In the case of a promissory note, the Administrator may also prescribe the form of such note and the security to be given for such note. The Option may not be exercised, however, by delivery of a promissory note or by a loan from the Company, the Partnership or any Subsidiary when or where such loan or other extension of credit is prohibited by law, and payment in the manner prescribed by the preceding sentences shall not be permitted to the extent that the Administrator determines that payment in such manner may result in an extension or maintenance of credit, an arrangement for the extension of credit, or a renewal of an extension of credit in the form of a personal loan to or for any Director or executive officer of the Company that is prohibited by Section 13(k) of the Exchange Act or other applicable law.

Section Transfer of Shares to a Company Employee or Independent Director
6.3

As soon as practicable after receipt by the Company, pursuant to Section 6.2(d), of payment for the shares with respect to which an Option (which in the case of a Company Employee or Independent Director was issued to and is held by such Holder in such capacity), or portion thereof, is exercised by a Holder who is a Company Employee or Independent Director, then, with respect to each such exercise, the Company shall transfer to the Holder the number of shares equal to

- (a) The amount of the payment made by the Holder to the Company pursuant to Section 6.2(d), divided by
- (b) The price per share of the shares subject to the Option as determined pursuant to Section 5.1.

Section Transfer of Shares to a Partnership Employee
6.4

As soon as practicable after receipt by the Company, pursuant to Section 6.2(d), of payment for the shares with respect to which an Option (which was issued to and is held by a Partnership Employee in such capacity), or portion thereof, is exercised by a Holder who is a Partnership Employee, then, with respect to each such exercise:

- (a) the Company shall transfer to the Holder the number of shares equal to (A) the amount of the payment made by the Holder to the Company pursuant to Section 6.2(d) divided by (B) the Fair Market Value of a share of Common Stock at the time of exercise (the "Partnership Holder Purchased Shares");
- (b) the Company shall sell to the Partnership the number of shares (the "Partnership Purchased Shares") equal to the excess of (i) the amount obtained by dividing (A) the amount of the payment made by the Holder to the Company pursuant to Section 6.2(d) by (B) the price per share of the shares subject to the Option as determined pursuant to Section 5.1, over (ii) the number of Partnership Holder Purchased Shares. The price to be paid by the Partnership to the Company for the Partnership Purchased Shares (the "Partnership Purchase Price") shall be an amount equal to the product of (x) the number of Partnership Purchased Shares and (y) the Fair Market Value of a share of Common Stock at the time of the exercise; and
- (c) as soon as practicable after receipt of the Partnership Purchased Shares by the Partnership, the Partnership shall transfer such shares to the Holder at no additional cost, as additional compensation.

Section Transfer of Payment to the Partnership
6.5

As soon as practicable after receipt by the Company of the amounts described in Sections 6.2(d) and 6.4(b), the Company shall contribute to the Partnership an amount of cash equal to such payments and the Partnership shall issue an additional interest in the Partnership on the terms set forth in the Partnership Agreement.

Section Conditions to Issuance of Share Certificates
6.6

Neither the Company nor the Partnership shall be required to issue or deliver any certificate for Common Shares purchased upon the exercise of any Option or portion thereof prior to fulfillment of all of the following conditions:

- (a) The admission of such shares to listing on all stock exchanges on which such series or class of shares is then listed;
- (b) The completion of any registration or other qualification of such shares under any state or federal law, or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body which the Administrator shall, in its sole discretion, deem necessary or advisable;
- (c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its sole discretion, determine to be necessary or advisable;
- (d) The lapse of such reasonable period of time following the exercise of the Option as the Administrator may establish from time to time for reasons of administrative convenience; and
- (e) The receipt by the Company or the Partnership of full payment for such shares, including payment of any applicable withholding tax.

Section Rights as Shareholders
6.7

The Holders of Options shall not be, nor have any of the rights or privileges of, shareholders of the Company in respect of any shares purchasable upon the exercise of any part of an Option unless and until certificates representing such shares have been issued by the Company or the Partnership to such Holders.

Section Ownership and Transfer Restrictions
6.8

The Administrator, in its sole discretion, may impose such restrictions on the ownership and transferability of the shares purchasable upon the exercise of an Option as it deems appropriate. Any such restriction shall be set forth in the respective Award Agreement or other written agreement between the Company and the Holder and may be referred to on the certificates evidencing such shares.

ARTICLE VII.

AWARD OF RESTRICTED SHARES

Section Eligibility
7.1

Subject to the Award Limit, Restricted Shares may be awarded to any Employee or Independent Director.

Section Award of Restricted Shares
7.2

- (a) The Administrator may from time to time, in its sole discretion:

- (i) Select from among Employees and Independent Directors (including Employees and Independent Directors who have previously received other Awards under the Plan) such of them as in its opinion should be awarded Restricted Shares; and
 - (ii) Determine the purchase price, if any, and other terms and conditions (including, without limitation, in the case of awards to Employees of the Partnership or any Partnership Subsidiary, the mechanism for the transfer of the Restricted Shares and payment therefor, and any surrender of such Restricted Shares pursuant to Section 7.4) applicable to such Restricted Shares, consistent with the Plan.
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(b) The Administrator shall establish the purchase price, if any, and form of payment for Restricted Shares; provided, however, that such purchase price, if any, shall be no less than the par value of the Common Shares to be purchased, unless otherwise permitted by applicable state law. In all cases, legal consideration shall be required for each issuance of a Restricted Share.

(c) Upon the selection of an Employee or Independent Director to be awarded Restricted Shares, the Administrator shall instruct the Secretary to issue such Restricted Shares and may impose such conditions on the issuance of such Restricted Shares as it deems appropriate.

Section Rights as Shareholders
7.3

Subject to Section 7.4, upon delivery of the Restricted Shares to the Holder or the escrow holder pursuant to Section 7.6, the Holder shall have, unless otherwise provided by the Administrator, all the rights of a shareholder with respect to said shares, subject to the restrictions in his or her Award Agreement, including the right to receive all dividends and other distributions paid or made with respect to the shares; provided, however, that in the discretion of the Administrator, any extraordinary distributions with respect to the Common Shares shall be subject to the restrictions set forth in Section 7.4.

Section Restriction
7.4

All Restricted Shares issued under the Plan (including any shares received by holders thereof with respect to Restricted Shares as a result of share dividends, share splits or any other form of recapitalization) shall, in the terms of each individual Award Agreement, be subject to such restrictions as the Administrator shall provide, which restrictions may include, without limitation, restrictions concerning voting rights and transferability and restrictions based on duration of employment with the Company, the Partnership or any Subsidiary or performance of the Company, the Partnership or a Subsidiary or individual performance; provided, however, that, except with respect to Restricted Shares granted to Section 162(m) Participants, by action taken after the Restricted Shares are issued, the Administrator may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed by the terms of the Award Agreement. Restricted Shares may not be sold or encumbered until all restrictions are terminated or expire. Except as otherwise provided by any written agreement between the Company, the Partnership or any Subsidiary, as applicable, and any applicable Holder, if no cash consideration was paid by the Holder upon issuance, a Holder's rights in unvested Restricted Shares shall lapse, and such Restricted Shares shall be surrendered to the Company, the Partnership or the Subsidiary, as applicable, without consideration, upon a Termination of Employment or Termination of Directorship.

Section Repurchase of Restricted Shares
7.5

Except as otherwise provided by the individual Award Agreement, the Company, the Partnership or a Subsidiary shall have the right to repurchase from the Holder the Restricted Shares then subject to restrictions under the Award Agreement immediately upon a Termination of Employment or, if applicable, upon a Termination of Directorship, at a cash price per share equal to the lesser of (i) the Fair Market Value of a Common Share on the date of Termination of Employment or Termination of Directorship, as applicable, and (ii) the price per share paid by the Holder for such Restricted Shares.

Section Escrow
7.6

Except as otherwise provided in any Award Agreement, the Secretary or such other escrow holder as the Administrator may appoint shall retain physical custody of each certificate representing Restricted Shares until all of the restrictions imposed under the Award Agreement with respect to the shares evidenced by such certificate expire or shall have been removed.

Section Legend
7.7

In order to enforce the restrictions imposed upon Restricted Shares hereunder, the Administrator shall cause a legend or legends to be placed on certificates representing all Restricted Shares that are still subject to restrictions under Award Agreements, which legend or legends shall make appropriate reference to the conditions imposed thereby.

ARTICLE VIII.

PERFORMANCE AWARDS,

DEFERRED SHARES, SHARE PAYMENTS

SectionEligibility

8.1

Subject to the Award Limit, one or more Performance Awards, awards of Deferred Shares and/or Share Payments may be granted to any Employee or Director whom the Administrator determines should receive such an Award.

SectionPerformance Awards

8.2

(a) Any Employee or Independent Director selected by the Administrator may be granted one or more Performance Awards. The value of such Performance Awards may be linked to any one or more of the Performance Criteria or other specific performance criteria determined appropriate by the Administrator, in each case on a specified date or dates or over any period or periods determined by the Administrator. In making such determinations, the Administrator shall consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Employee or Independent Director.

(b) Without limiting Section 8.2(a), the Administrator may grant Performance Awards to any 162(m) Participant in the form of a cash bonus payable upon the attainment of objective performance goals which are established by the Administrator and relate to one or more of the Performance Criteria, in each case on a specified date or dates or over any period or periods determined by the Administrator; provided that any such bonus shall be subject to the continued employment of such Participant on the last day of such period or periods determined by the Administrator (the "Performance Date"), which Performance Date, with respect to bonuses determined on an annual basis, shall be December 31 of the applicable calendar year; and, provided, further, that any such bonus shall be payable to such Participant either (i) on or prior to the 15th day of the third calendar month following the calendar year in which the Performance Date occurs or (ii) in a manner that complies with the requirements of Section 409A. Any such bonuses paid to 162(m) Participants shall be based upon objectively determinable bonus formulas established in accordance with the provisions of Section 3.2. The maximum amount of any Performance Award payable to a 162(m) Participant under this Section 8.2(b) shall not exceed the Award Limit with respect to any calendar year. Unless otherwise specified by the Administrator at the time of grant, the Performance Criteria with respect to a Performance Award payable to a 162(m) Participant shall be determined on the basis of generally accepted accounting principles.

SectionShare Payments

8.3

Any Employee or Independent Director selected by the Administrator may receive Share Payments in the manner determined from time to time by the Administrator. The number of shares shall be determined by the Administrator and may be based upon the Performance Criteria or other specific criteria determined appropriate by the Administrator, determined on the date such Share Payment is made or on any date thereafter.

SectionDeferred Shares

8.4

Any Employee or Independent Director selected by the Administrator may be granted an award of Deferred Shares in the manner determined from time to time by the Administrator. The number of Deferred Shares shall be determined by the Administrator and may be linked to the Performance Criteria or other specific criteria determined to be appropriate by the Administrator, in each case on a specified date or dates or over any period or periods determined by the Administrator. Common Shares underlying a Deferred Share award will not be issued until the Deferred Share award has vested, pursuant to a vesting schedule or performance criteria set by the Administrator. Unless otherwise provided by the Administrator, a Holder of Deferred Shares shall have no rights as a Company shareholder with respect to such Deferred Shares until such time as the Award has vested and the Common Shares underlying the Award have been issued.

SectionTerm

8.5

The term of a Performance Award, award of Deferred Shares and/or Share Payment shall be set by the Administrator in its discretion.

SectionExercise or Purchase Price

8.6

The Administrator may establish the exercise or purchase price of a Performance Award, Deferred Share award or shares received as a Share Payment~~provided, however,~~ that such price shall not be less than the par value of a share of Common Share, unless otherwise permitted by applicable state law.

SectionExercise Upon Termination of Employment or Termination of Directorship

8.7

A Performance Award, award of Deferred Shares and/or Share Payment is exercisable or payable only while the Holder is an Employee or Independent Director, as applicable; ~~provided, however,~~ that, except with respect to Performance Awards granted to Section 162(m) Participants, the Administrator in its sole discretion may provide that the Performance Award, award of Deferred Shares and/or Share Payment may be exercised or paid subsequent to a Termination of Employment or Termination of Directorship, or following a Change in Control, or because of the Holder's retirement, death or disability, or otherwise.

SectionForm of Payment

8.8

Payment of the amount determined under Section 8.2 above shall be in cash, in Common Shares or a combination of both, as determined by the Administrator. To the extent any payment under this Article VIII is effected in Common Shares, it shall be made subject to satisfaction of all provisions of Section 6.6.

ARTICLE IX.

ADMINISTRATION

SectionShare and Unit Option Committee

9.1

The Share and Unit Option Committee shall consist of two or more Directors, appointed by and holding office at the pleasure of the Board, none of whom shall be an Employee and each of whom is both a "non-employee director" as defined by Rule 16b-3 and an "outside director" for purposes of Section 162(m) of the Code. Appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time by delivering written notice to the Board. Vacancies in the Committee may be filled by the Board.

SectionDuties and Powers of Committee

9.2

It shall be the duty of the Committee to conduct the general administration of this Plan in accordance with its provisions. The Committee shall have the power to interpret this Plan, the Award Agreements and to adopt such rules for the administration, interpretation and application of this Plan as are consistent therewith and to interpret, amend or revoke any such rules. Any such interpretations and rules with respect to Incentive Share Options shall be consistent with the provisions of Section 422 of the Code. The Committee shall have the power to amend any Award Agreement provided that the rights or obligations of the Holder of the Award that is the subject of any such Award Agreement are not affected adversely; ~~provided, however,~~ that without the approval of the shareholders of the Company, neither the Committee nor the Board shall authorize the amendment of any outstanding Option to reduce its exercise price. Notwithstanding anything contained herein, no Option shall be canceled and replaced with the grant of an Option having a lower exercise price without the approval of the shareholders of the Company. Grants or Awards under the Plan need not be the same with respect to each Holder. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan except with respect to matters which under Rule 16b-3 or Section 162(m) of the Code, or any regulations or rules issued thereunder, are required to be determined in the sole discretion of the Committee. Notwithstanding the foregoing, the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to Awards granted to Independent Directors.

Section 9.3

Majority Rule

The Committee shall act by a majority of its members in attendance at a meeting where quorum is present or by a memorandum or other written instrument signed by all members of the Committee.

Section 9.4

Compensation; Professional Assistance; Good Faith Actions

Members of the Committee shall receive such compensation for their services as members as may be determined by the Board. All expenses and liabilities which members of the Committee incur in connection with the administration of this Plan shall be borne by the Company. The Committee may, with the approval of the Board, employ attorneys, consultants, accountants, appraisers, brokers or other persons. The Committee, the Company and the Company's officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee or the Board in good faith shall be final and binding upon all Holders, the Company and all other interested persons. No members of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to this Plan or any Award, and all members of the Committee and the Board shall be fully protected by the Company in respect of any such action, determination or interpretation.

ARTICLE X.

MISCELLANEOUS PROVISIONS

SectionNot Transferable

10.1

(a) Awards under this Plan may not be sold, pledged, assigned, or transferred in any manner other than by will or the laws of descent and distribution or, with the consent of the Administrator, pursuant to a transfer to the spouse and/or lineal descendants of the Holder and/or to a trust, partnership or other entity the sole beneficiaries, partners or other members of which are such Holder's spouse and/or lineal descendants, unless and until such Awards have been exercised, or the shares underlying such Awards have been issued, and all restrictions applicable to such shares have lapsed. No Award or interest or right therein shall be liable for the debts, contracts or engagements of the Holder or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

(b) During the lifetime of the Holder, only he may exercise an Option or other Award (or any portion thereof) granted to him under the Plan, unless it has been disposed of pursuant to the foregoing paragraph. After the death of the Holder (or transferee), any exercisable portion of an Option or other Award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Award Agreement or other agreement, be exercised by the personal representative of, or by any person empowered to do so under, the deceased Holder's (or transferee's) will or under the then applicable laws of descent and distribution.

SectionAmendment, Suspension or Termination of this Plan

10.2

The plan will expire on, and no Award may be granted pursuant to the Plan after, May 14, 2014; and any Award outstanding on such date shall remain in force according to the terms of the applicable Award Agreement. In addition, this Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board or the Committee; provided, however, that (a) to the extent necessary and desirable to comply with any applicable law, regulation, or stock exchange rule, the Company shall obtain shareholder approval of any Plan amendment in such a manner and to such a degree as required, and (b) shareholder approval is required for any amendment to the Plan that (i) increases the number of shares available under the Plan (other than any adjustment as provided by Section 10.3), (ii) permits the Administrator to grant Options with an exercise price that is below Fair Market Value on the date of grant, or (iii) permits the Administrator to extend the exercise period for an Option beyond ten years from the date of grant. The Award Limit may be increased by the Board or the Committee at any time and from time to time, and Awards may be granted with respect to a number of shares not in excess of such increased

Award Limit; provided, however, that no such increase of the Award Limit shall be effective unless and until such increase is approved by the Company's shareholders and if such approval is not obtained all Awards granted with respect to a number of shares in excess of the Award Limit in effect prior to such increase shall be canceled and shall become null and void. No amendment, suspension or termination of this Plan shall, without the consent of the Holder alter or impair any rights or obligations under any Awards theretofore granted, unless the Award Agreement itself otherwise expressly so provides. No Award may be granted during any period of suspension or after termination of this Plan, and in no event may any Incentive Share Option be granted under this Plan after May 28, 2003.

Section Changes in Common Shares or Assets of the Company; Acquisition or Liquidation of the Company and Other Corporate Events

10.3

(a) Subject to Section 10.3(d), in the event that the Administrator determines that any dividend or other distribution (whether in the form of cash, Common Shares, other securities or other property), recapitalization, reclassification, share split, reverse share split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company (including, but not limited to, a Change in Control), or exchange of Common Shares or other securities of the Company, issuance of warrants or other rights to purchase Common Shares or other securities of the Company, or other similar corporate transaction or event, in the Administrator's sole discretion, affects the Common Shares such that an adjustment is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to an Award, then the Administrator shall, in such manner as it may deem equitable, adjust any or all of:

- (i) The number and kind of Common Shares (or other securities or property) with respect to which Awards may be granted or awarded (including, but not limited to, adjustments of the limitations in Section 2.1 on the maximum number and kind of shares which may be issued and adjustments of the Award Limit);
- (ii) The number and kind of Common Shares (or other securities or property) subject to outstanding Awards; and
- (iii) The grant or exercise price with respect to any Award.

(b) Subject to Section 10.3(d), except as otherwise provided in any Award Agreement, in the event of any transaction or event described in Section 10.3(a) or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate thereof (including, without limitation, any Change in Control), or of changes in applicable laws, regulations or accounting principles, the Administrator, in its sole discretion, and on such terms and conditions as it deems appropriate, either by the terms of the applicable Award Agreement or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Holder's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

- (i) To provide for either the purchase of any such Award for an amount of cash equal to the amount that could have been attained upon the exercise of such Award or realization of the Holder's rights had such Award been currently exercisable or payable or fully vested or the replacement of such Award with other rights or property selected by the Administrator in its sole discretion;
 - (ii) To provide that the Award cannot vest, be exercised or become payable after such event;
 - (iii) To provide that such Award shall be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in Section 5.3 or 5.4 or the provisions of such Award;
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- (iv) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;
- (v) To make adjustments in the number and type of Common Shares (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Shares or Deferred Shares and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding options, rights and awards and options, rights and awards which may be granted in the future; and
- (vi) To provide that, for a specified period of time prior to such event, the restrictions imposed under an Award Agreement upon some or all Restricted Shares or Deferred Shares may be terminated, and, in the case of Restricted Shares, some or all of such Restricted Shares may cease to be subject to repurchase under Section 7.5 or forfeiture under Section 7.4 after such event.

(c) Subject to Sections 3.2, 3.3 and 10.3(d), the Administrator may, in its discretion, include such further provisions and limitations in any Award, agreement or certificate, as it may deem equitable and in the best interests of the Company.

(d) With respect to Awards which are granted to Section 162(m) Participants and are intended to qualify as performance-based compensation under Section 162(m)(4)(C), no adjustment or action described in this Section 10.3 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause such Award to fail to so qualify under Section 162(m)(4)(C), or any successor provisions thereto. No adjustment or action described in this Section 10.3 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Plan to violate Section 422(b)(1) of the Code. Furthermore, no such adjustment or action shall be authorized to the extent such adjustment or action would result in short-swing profits liability under Section 16 or violate the exemptive conditions of Rule 16b-3 unless the Administrator determines that the Award is not to comply with such exemptive conditions. The number of Common Shares subject to any Award shall always be rounded to the next whole number.

(e) The existence of the Plan, the Award Agreement and the Awards granted hereunder shall not affect or restrict in any way the right or power of the Company or the shareholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of shares or of options, warrants or rights to purchase shares or of bonds, debentures, preferred or prior preference shares whose rights are superior to or affect the Common Shares or the rights thereof or which are convertible into or exchangeable for Common Shares, or the dissolution or liquidation of the company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section Approval of Plan by Shareholders.

10.4

The Plan will be submitted for the approval of the Company's shareholders after the date of the Board's initial adoption of the Plan, and any amendment to the Plan increasing the aggregate number of Common Shares issuable under the Plan will be submitted for the approval of the Company's shareholders after the date of the Board's adoption of such amendment. Awards may be granted or awarded prior to such shareholder approval, provided that such Awards shall not be exercisable nor shall such Awards vest prior to the time when the Plan is approved by the shareholders, and provided further that if such approval is not obtained, all Awards previously granted or awarded under the Plan shall thereupon be canceled and become null and void. In addition, if the Board determines that Awards other than Options which may be granted to Section 162(m) Participants should continue to be eligible to qualify as performance-based compensation under Section 162(m)(4)(C) of the Code, the Performance Criteria must be disclosed to and approved by the Company's shareholders no later than the first shareholder meeting that occurs in the fifth year following the year in which the Company's shareholders previously approved the Performance Criteria.

SectionTax Withholding

10.5

The Company or the Partnership, as applicable, shall be entitled to require payment in cash or deduction from other compensation payable to each Holder of any sums required by federal, state or local tax law to be withheld with respect to the issuance, vesting, exercise or payment of any Award. The Administrator may in its discretion and in satisfaction of the foregoing requirement allow such Holder to elect to have the Company or the Partnership, as applicable, withhold Common Shares otherwise issuable under such Award (or allow the return of Common Shares) having a Fair Market Value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan, the number of Common Shares which may be withheld with respect to the issuance, vesting, exercise or payment of any Award (or which may be repurchased from the Holder of such Award within six months after such Common Shares were acquired by the Holder from the Company) in order to satisfy the Holder's federal and state income and payroll tax liabilities with respect to the issuance, vesting, exercise or payment of the Award shall be limited to the number of Common Shares which have a Fair Market Value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal and state tax income and payroll tax purposes that are applicable to such supplemental taxable income.

SectionLoans

10.6

The Committee may, in its discretion, extend one or more loans to Employees in connection with the exercise or receipt of an Award granted or awarded under the Plan, or the issuance of Restricted Shares or Deferred Shares awarded under the Plan. The terms and conditions of any such loan shall be set by the Committee. Notwithstanding the foregoing, no loan shall be made to an Employee under this Section to the extent such loan shall result in an extension or maintenance of credit, an arrangement for the extension of credit, or a renewal of an extension of credit in the form of a personal loan to or for any Director or executive officer of the Company that is prohibited by Section 13(k) of the Exchange Act or other applicable law. In the event that the Committee determines in its discretion that any loan under this Section may be or will become prohibited by Section 13(k) of the Exchange Act or other applicable law, the Committee may provide that such loan shall be immediately due and payable in full and may take any other action in connection with such loan as the Committee determines in its discretion to be necessary or appropriate for the repayment, cancellation or extinguishment of such loan.

SectionEffect of Plan Upon Options and Compensation Plans

10.7

The adoption of this Plan shall not affect any other compensation or incentive plans in effect for the Company, the Partnership or any Subsidiary. Nothing in this Plan shall be construed to limit the right of the Company, the Partnership or any Subsidiary (i) to establish any other forms of incentives or compensation for Employees or Independent Directors or (ii) to grant or assume options or other rights or awards otherwise than under this Plan in connection with any proper corporate purpose including but not by way of limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, securities or assets of any corporation, partnership, limited liability company, firm or association.

SectionSection 83(b) Election Prohibited

10.8

No Holder may make an election under Section 83(b) of the Code, or any successor section thereto, with respect to any award or grant under the Plan without the consent of the Administrator, which the Administrator may grant or withhold at its sole discretion.

SectionGrants of Awards to Certain Employees

10.9

The Company, the Partnership and any Subsidiary may provide through the establishment of a formal written policy or otherwise for the method by which Common Shares and/or payment therefor may be exchanged or contributed between the Company and such other party, or may be returned to the Company upon any forfeiture of Common Shares by the Holder, for the purpose of ensuring that the relationship between the Company and the Partnership or such Subsidiary remains at arm's-length.

Section Restrictions on Awards
10.10

This Plan shall be interpreted and construed in a manner consistent with the Company's status as a REIT. No Award shall be granted or awarded, and with respect to an Option already granted under the Plan, such Option shall not be exercisable:

(a) to the extent such Award or Option exercise could cause the Holder to be in violation of the Ownership Limit (as defined in the Company's Articles of Incorporation, as amended from time to time); or

(b) if, in the discretion of the Administrator, such Award or Option exercise could result in income to the Company which, when considered in light of the Company's other income, could cause the Company to fail to satisfy the gross income limitations set forth in Code Section 856(c) or otherwise impair the Company's status as a REIT.

Section Compliance with Laws
10.11

The Plan, the granting and vesting of Awards under the Plan and the issuance and delivery of Common Shares and the payment of money under the Plan or under Awards granted or awarded hereunder are subject to compliance with all applicable federal and state laws, rules and regulations (including but not limited to state and federal securities law and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith; provided, however, that the foregoing shall not relieve the Company of its obligations under any Award. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company as the Company may deem necessary or desirable to assure compliance with all applicable legal requirements. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

Section Titles
10.12

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Plan.

Section Governing Law
10.13

This Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the state of North Carolina without regard to conflicts of laws thereof.

Section Conflicts
10.14

Notwithstanding any other provision of the Plan, no Holder shall acquire or have any right to acquire any Common Shares, and shall not have other rights under the Plan, which are prohibited under the Company's Articles of Incorporation, as amended from time to time.

Section Section 409A
10.15

To the extent that the Committee determines that any Award granted under the Plan is subject to Section 409A, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A. To the extent applicable, the Plan and Award Agreements shall be interpreted in accordance with Section 409A. Notwithstanding any provision of the Plan to the contrary, in the event that the Committee determines that any Award may be subject to Section 409A, the Committee reserves the right (without any obligation to do so or to indemnify any Holder for failure to do so) to adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Committee determines are necessary or appropriate to (a) exempt the Award from Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) to comply with the requirements of Section 409A and thereby avoid the application of any penalty taxes under such Section. Notwithstanding the foregoing, no provision of any Award or this Plan shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from a Holder or any other individual to the Company or any of its affiliates, employees or agents.

IN WITNESS WHEREOF, the parties below have caused the foregoing Plan to be approved by their officers duly authorized on December 29, 2008.

TANGER FACTORY OUTLET CENTERS, INC.
a North Carolina corporation

By: /s/ Stanley K. Tanger
Stanley K. Tanger
Chief Executive Officer

TANGER PROPERTIES LIMITED PARTNERSHIP
a North Carolina limited partnership

By: Tanger GP Trust
a Maryland business trust

Its General Partner

By: /s/ Stanley K. Tanger
Stanley K. Tanger
Chairman of the Board

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT is entered into as of December 29, 2008 and made effective as of January 1, 2009 (the "Effective Date") by and among **TANGER PROPERTIES LIMITED PARTNERSHIP** (the "Partnership"), a North Carolina limited partnership, **TANGER FACTORY OUTLET CENTERS, INC.** (the "Company"), a North Carolina corporation and **STANLEY K. TANGER** (the "Executive").

RECITALS:

A. The Executive is the Chief Executive Officer of the Partnership, an officer of the Company and Chairman of the Board of Directors of the Company under the terms of an Amended and Restated Employment Agreement dated as of January 1, 2004 between the Executive, the Partnership and the Company (the "Existing Employment Contract").

B. The Company, the Partnership and the Executive intend to modify and amend the Existing Employment Contract as provided herein.

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth below the parties hereto agree as follows:

1. Certain Definitions.

(a) "Annual Base Salary" is defined in Section 7(a). (b) "Annual Bonus" is defined in Section 7(d).

(c) "Benefits" is defined in Section 7(b)(iii).

(d) "Cause" For purposes of this Agreement, the Partnership or the Company shall have "Cause" to terminate the Executive's employment hereunder upon (i) the Executive causing material harm to the Company through a material act of dishonesty in the performance of his duties hereunder, (ii) his conviction of a felony involving moral turpitude, fraud or embezzlement, or (iii) his willful failure to perform his material duties under this Agreement (other than a failure due to disability) after written notice specifying the failure and a reasonable opportunity to cure (it being understood that if his failure to perform is not of a type requiring a single action to cure fully, that he may commence the cure promptly after such written notice and thereafter diligently prosecute such cure to completion).

(e) "Change of Control" shall mean (A) the sale, lease, exchange or other transfer (other than pursuant to internal reorganization) by the Company or the Partnership of more than 50% of its assets to a single purchaser or to a group of associated purchasers; (B) a merger, consolidation or similar transaction in which the Company or the Partnership does not survive as an independent, publicly owned corporation or the Company ceases to be the sole general partner of the Partnership; or (C) the acquisition of securities of the Company or the Partnership in one or a related series of transactions (other than pursuant to an internal reorganization) by a single purchaser or a group of associated purchasers (other than the Executive or any of his lineal descendants, lineal ancestors or siblings) which results in their ownership of twenty-five (25%) percent or more of the number of Common Shares of the Company (treating any Partnership Units or Preferred Shares acquired by such purchaser or purchasers as if they had been converted to Common Shares) that would be outstanding if all of the Partnership Units and Preferred Shares were converted into Common Shares; (D) a merger involving the Company if, immediately following the merger, the holders of the Company's shares immediately prior to the merger own less than fifty (50%) of the surviving company's outstanding shares having unlimited voting rights or less than fifty percent (50%) of the value of all of the surviving company's outstanding shares; or (E) a majority of the members of the Company's Board of Directors are replaced during any twelve month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election.

(f) "Disability" shall mean the absence of the Executive from the Executive's duties to the Partnership and/or the Company on a full-time basis for a total of 16 consecutive weeks during any 12 month period as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Partnership or the Company and acceptable to the Executive or the Executive's legal representative (such agreement as to acceptability not to be withheld unreasonably).

(g) A "Contract Year" shall be a calendar year.

(h) "Good Reason" The Executive shall have Good Reason to terminate his employment upon the occurrence of any of the following events:

(1) any material adverse change in his job titles, duties, responsibilities, perquisites granted hereunder, or authority without his consent; provided, however, that, notwithstanding the foregoing, effective January 1, 2009, the Executive shall have Good Reason to terminate his employment pursuant to this Section (k)(1) only upon the occurrence of a material adverse change in his title as Chairman of the Board or the duties, responsibilities or authority related thereto without his consent;

(2) if, after a Change of Control, either (i) the principal duties of the Executive are required to be performed at a location other than the Greensboro, North Carolina metropolitan area without his consent or (ii) the Executive no longer reports directly to the Board of Directors;

(3) the relocation of the Company and/or the Partnership headquarters outside of the Greensboro, North Carolina metropolitan area without his consent;

(4) a material breach of this Employment Agreement by the Partnership or Company, including without limitation, the failure to pay compensation or benefits when due hereunder if such failure is not cured within 30 days after delivery to the Company and the Partnership of the Executive's written demand for payment thereof;

(5) if the Executive elects to terminate his employment by written notice to the Company and the Partnership within the 180 day period following a Change of Control; or

(6) if the Executive is removed, or is not re-elected as a Director of the Company.

(i) “Contract Term” is defined in Section 2(b).

(j) “Section 409A” shall mean, collectively, Section 409A of the internal Revenue Code of 1986, as amended, and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder, including without limitation any such regulations or other guidance that may be issued after the date of this amendment and restatement.

2. Employment.

(a) The Partnership and the Company shall continue to employ the Executive and the Executive shall remain in the employ of the Partnership and the Company during the Contract Term (as defined in this Section 2) in the positions set forth in Section 3 and upon the other terms and conditions herein provided, unless the Executive’s employment is terminated earlier as provided in Section 8 hereof

(b) The initial Contract Term of the Existing Employment Contract began as of January 1, 2004 (the “Commencement Date”) and ended on December 31, 2006 (the “Initial Contract Term”). On each January 1 for the calendar years 2005 through 2008, the Contract Term was automatically extended by one year, and on the first day of January of each calendar year thereafter (an “Extension Date”), the Contract Term shall be automatically extended by one year unless (i) the Executive’s employment has been earlier terminated as provided in Section 8 or (ii) either the Partnership or the Company gives written notice to the Executive one hundred eighty (180) days prior to the Extension Date that the Contract Term shall not be automatically extended. For purposes of illustration, if the Executive’s employment has not been terminated as provided in Section 8 and if neither the Company nor the Partnership has given written notice to the Executive at least 180 days prior to January 1, 2010 that the Contract Term will not be extended, on January 1, 2010, the Contract Term will be extended to and including December 31, 2012.

If the Contract Term is extended as provided herein, the Executive’s employment may be terminated (other than upon expiration) only as provided in Section 8. References herein to the “Contract Term” shall refer to the Initial Contract Term as extended pursuant to this Section 2.

3. Position and Duties. During the Executive’s employment hereunder, he shall serve as:

(a) an executive employee of the Partnership and shall have such duties, functions, responsibilities and authority as are consistent with the Executive’s position,

(b) the Chief Executive Officer and Chairman of the Board of Directors of the Company and shall have such duties, functions, responsibilities and authority as are consistent with the Executive’s position as the senior executive officer in charge of the general management, business and affairs of the Company (and the Partnership, through the Company’s capacity as general partner of the Partnership), and

(c) if elected or appointed thereto, as a Director and Chairman of the Board of directors of the Company;

provided, however, that effective December 31, 2008, the Executive shall resign as Chief Executive Officer and thereafter will have the title of Chairman of the Board and will have the duties and responsibilities described in the attached Exhibit B and such other duties and responsibilities not inconsistent therewith as shall be assigned to him by the Board. The Executive's position, duties and responsibilities may not be changed and the Executive's Annual Base Salary may not be reduced during his employment hereunder without the Executive's written consent.

4. Competition.

(a) The Executive shall be permanently prohibited from engaging in Competition (as defined in subsection 4(b) below) with the Partnership or the Company.

(b) The term "Competition" for purposes of this Agreement shall mean the engagement outside the Partnership and the Company

(1) in any material commercial real estate activities, with the exception of

(i) the development or ownership of properties (or replacement properties) which were owned collectively or individually by the Executive, by members of his family or by any entity in which any of them owned an interest or which was for the benefit of any of them prior to June 30, 1993 (including the three factory outlet centers in which the Executive is a 50% partner, the shopping center on West Market Street in Greensboro, North Carolina (such four properties defined herein as the "Excluded Properties") and the interests of the Tanger Family Limited Partnership),

(ii) the direct or indirect passive investment in commercial real estate, and

(iii) service on the board of directors of any publicly traded company, whether or not such company engages in Competition as defined in this subsection 4(b); provided however that,

(2) "Competition" shall include management, development or construction of any factory outlet centers or competing retail commercial property or any other active or passive investment in property connected with a factory outlet center or a competing retail commercial property, with the exception of

(i) the activities permitted in subparagraph 4(b)(i)(A) with respect to the Excluded Properties,

(ii) the ownership of up to 1 % of any class of securities of any publicly traded company, and

(iii) the employment under this Agreement.

(c) The Executive covenants that a breach of subsection 4 (a) above would immediately and irreparably harm the Partnership and the Company and that a remedy at law would be inadequate to compensate the Partnership and the Company for their losses by reason of such breach and therefore that the Partnership and/or the Company shall, in addition to any other rights and remedies available under this Agreement, at law or otherwise, be entitled to an injunction to be issued by any court of competent jurisdiction enjoining and restraining the Executive from committing any violation of subsection 4(a) above, and the Executive hereby consents to the issuance of such injunction.

5. Registration Rights. The Executive shall have registration rights pursuant to the Registration Rights Agreement attached hereto as Exhibit A.

6. Place of Performance. During his employment hereunder, the Executive shall be based at the Partnership's principal executive offices and the Company's principal executive offices located in Greensboro, North Carolina.

7. Compensation and Related Matters. During the Executive's employment hereunder, the Executive shall be paid the compensation and shall be provided with the benefits described below:

(a) Annual Base Salary. The Executive's annual base compensation ("Annual Base Salary") payable with respect to the Contract Year ending December 31, 2004 shall be \$470,000. The amount of Annual Base Salary payable to the Executive with respect to each Contract Year thereafter shall be an amount negotiated between and agreed upon by the Executive and the Board of Directors of the Company (in its capacity as general partner and in its own behalf) but in no event less than the Executive's Annual Base Salary for the prior Contract Year.

(b) Benefits. The Executive shall be entitled to

(1) receive stock options (incentive or nonqualified) under the Company's Stock Option Plan and the Partnership's Unit Option Plan;

(2) participate in the Partnership's 401(k) Savings Plan, and

(3) participate in or receive benefits under any employee benefit plan or other arrangement made available by the Partnership or the Company to any of its employees (collectively "Benefits"), on terms at least as favorable as those on which any other employee of the Partnership or the Company shall participate; provided, however, that the Executive shall be entitled to four weeks of paid vacation during each Contract Year, exclusive of Partnership holidays.

Without the Executive's prior written consent, the Company and/or the Partnership will not terminate or reduce any benefits paid to the Executive under this Section 7(b) unless the Executive is furnished with a benefit that is substantially equivalent.

(c) Automobile. In addition to the other compensation and benefits described in this Section 7, the Executive shall be entitled to receive a monthly automobile allowance of \$800, payable at the same times Base Salary is payable hereunder. The Executive may apply such allowance in any manner, and shall be entitled to retain any portion of such allowance not applied towards his automobile expense. The Executive shall be responsible for all automobile costs and expenses in excess of the allowance provided hereunder.

(d) Annual Bonus. As additional compensation for services rendered, the Executive shall receive such bonus or bonuses as the Company's Compensation Committee may from time to time approve including without limitations awards under the Company's Incentive Award Plan; provided that any Annual Bonus shall be payable on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year with respect to which such Annual Bonus relates.

(e) Expenses. Subject to Section 23(b)(v), the Partnership and the Company shall promptly reimburse the Executive for all reasonable travel and other business expenses incurred by the Executive in the performance of his duties to the Partnership and the Company, respectively, hereunder.

(f) Payment of Compensation. For each Contract Year or portion thereof covered by this Agreement, the Company shall be liable for the percentage described below (the "Company Percentage") of the cost of the Executive's Annual Base Salary, and for any awards granted by the Company to the Executive pursuant to the Incentive Award Plan of the Company and the Partnership (the "Incentive Award Plan"), and the Partnership shall be liable for the remainder of the cost of the Executive's total compensation (including any awards granted by the Partnership pursuant to the Incentive Award Plan).

The Company Percentage for each Contract Year shall be determined by the Board of Directors of the Company (in its capacity as sole owner of the general partner and in its own behalf), excluding the Executive, as the reasonable allocation of the benefits for the Executive's services.

8. Termination

. The Executive's employment hereunder may be terminated prior to the end of the Contract Term by the Partnership, the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. If the Disability of the Executive has occurred during the Contract Term, the Partnership or the Company, respectively, may give the Executive written notice in accordance with Section 8(g) of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Partnership and the Company shall terminate effective on the 30th day after receipt of such notice by the Executive, provided that within the 30 days after such receipt, the Executive shall not have returned to full-time performance of his duties.

(c) Cause. The Partnership or the Company may terminate the Executive's employment hereunder for Cause.

(d) Good Reason. The Executive may terminate his employment for Good Reason.

(e) Without Cause. The Partnership or the Company may terminate the Executive's employment hereunder without Cause upon 30 days notice.

(f) Resignation without Good Reason. The Executive may resign his employment without Good Reason upon 90 days written notice to the Partnership and the Company.

(g) Notice of Termination. Any termination of the Executive's employment hereunder by the Partnership, the Company or the Executive (other than by reason of the Executive's death) shall be communicated by a notice of termination to the other parties hereto. For purposes of this Agreement, a "notice of termination" shall mean a written notice which (i) indicates the specific termination provision in the Agreement relied upon, (ii) sets forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision indicated and (iii) specifies the effective date of the termination.

9. Severance Benefits.

(a) Termination without Cause or for Good Reason. Subject to Section 23(b), if the Executive's employment shall be terminated (i) by the Company or the Partnership other than for Cause (as defined above) or (ii) by the Executive for Good Reason (as defined above), the Partnership and the Company shall pay a lump sum cash payment (the "Severance Payment") to the Executive within thirty (30) days after such termination of the Executive's employment in an amount equal to 300% of the sum of (A) his Annual Base Salary, (B) his Deemed Annual Bonus for the Contract Year in which the termination occurs and (C) his annual automobile allowance under Section 7(c) hereof. In addition, subject to Section 23(b), the Partnership and the Company shall continue to provide all Benefits to the Executive under this Agreement for each Contract Year through the end of the Contract Term. For these purposes, the Executive's Deemed Annual Bonus for any Contract Year shall be the greater of (i) the Executive's Average Annual Bonus for that Contract Year and (ii) Executive's Annual Bonus for the prior Contract Year. The Executive's Average Annual Bonus for a Contract Year shall be an amount equal to the sum of all Annual Bonuses earned by the Executive for the Contract Years immediately preceding the Contract Year for which the calculation is being made (not exceeding three (3) Contract Years) divided by the number of such Annual Bonuses. In calculating the Executive's Annual Bonus or Average Annual Bonus for a Contract Year, the amount of any share-based award under the Incentive Award Plan that the Executive is required to recognize as income for federal income tax purposes in a Contract Year shall be included as part of the Executive's Annual Bonus for that Contract Year.

(b) Termination by Death or Disability. Subject to Section 23(b), upon the termination of the Executive's employment by reason of his death or Disability, the Company shall pay to the Executive or to the personal representatives of his estate (i) within thirty (30) days after the termination, a lump-sum amount equal to the amount of Annual

Base Salary that would have been due through the end of the Contract Term assuming no early termination had occurred and assuming no increases or decreases in Annual Base Salary and (ii) on or before the day on which the Executive's Annual Bonus for the Contract Year in which the termination occurs would have been payable if the termination had not occurred, an amount equal to the Annual Bonus the Executive would have received for that Contract Year if the termination had not occurred multiplied by a fraction the numerator of which is the number of days in that Contract Year before the date of termination and the denominator of which is 365. This subsection 9(b) shall not limit the entitlement of the Executive, his estate or beneficiaries to any disability or other benefits then available to the Executive under any life, disability insurance or other benefit plan or policy which is maintained by the Partnership or the Company for the Executive's benefit.

(c) Termination for Cause or Without Good Reason. If the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason, the Executive shall be entitled to all Annual Base Salary and all Benefits accrued through the date of termination and to any accrued but unpaid Annual Bonus for a Contract Year prior to the Contract Year in which the Executive's employment was terminated. Such accrued compensation shall be paid in accordance with the Company's ordinary payment practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

(d) Assignment of Life Insurance. Upon any termination of the Executive's employment hereunder, the Partnership and the Company shall, at Executive's option (exercisable at any time during the period commencing upon the termination of his employment and ending 90 days thereafter), transfer the life insurance policy described in such Section 11(b) to Executive, for no consideration. In addition, notwithstanding any provision of the Partnership's Executive Deferred Compensation Plan to the contrary but subject to Section 23(b), all amounts in the Executive's account under such Plan (if there is such a Plan) shall be immediately payable to him.

(e) Survival. Neither the termination of the Executive's employment hereunder nor the expiration of the Contract Term shall impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such termination or expiration.

(f) Mitigation of Damages. In the event of any termination of the Executive's employment by the Partnership or the Company, the Executive shall not be required to seek other employment to mitigate damages, and any income earned by the Executive from other employment or self-employment shall not be offset against any obligations of the Partnership or the Company to the Executive under this Agreement.

10. Limitation on Severance Benefits

(a) Notwithstanding any other provision of this Agreement, and except as provided in paragraph 10(b) below, payments and benefits to which Executive would otherwise be entitled under the provisions of this Agreement will be reduced (or the Executive shall make reimbursement of amounts previously paid) to the extent necessary to prevent the Executive from having any liability for the federal excise tax levied on certain "excess parachute payments" under section 4999 of the Internal Revenue Code as it exists as of the date of this Agreement.

(b) The Company may determine the amount (if any) of reduction for each payment or benefit that the Executive would otherwise be entitled to receive. The extent to which the payments or benefits to the Executive are to be reduced pursuant to paragraph 10(a) will be determined by the accounting firm servicing the Company on the date that the Executive's employment is terminated. The Company shall pay the cost of such determination.

(c) If the final determination of any reduction in any benefit or payment pursuant to this Section has not been made at the time that the Executive is entitled to receive such benefit or payment, the Company shall pay or provide an estimated amount based on a recommendation by the accounting firm making the determination under subparagraph 10(b). When the final determination is made, the Company shall pay the Executive any additional amounts that may be due or the Executive shall reimburse the Company for any estimated amounts paid to the Executive that were in excess of the amount payable hereunder.

11. Insurance.

(a) Officers and Directors Fiduciary Liability Insurance: During the Executive's employment hereunder, the Company shall maintain, at its expense, officers and directors fiduciary liability insurance that would cover the Executive in an amount of no less than \$3 million per year.

(b) Term Life Insurance or Other Employee Benefit: During the Executive's employment hereunder, the Company shall maintain in force a term life insurance policy on the Executive or shall provide Executive with another employee benefit selected by the Executive at an annual cost to the Company of no more than \$17,150. If the Executive's employment is terminated prior to the expiration of the Contract Term (other than by reason of the Executive's death, a termination by the Company for Cause or a termination by the Executive without Good Reason), the Company shall pay, prior to the expiration of the ninety (90) period described in Section 9(d), either to the Executive or, on behalf of the Executive, to the issuer(s) of such life insurance policy(ies) (if any), an amount sufficient to pay the premiums to maintain such policy(ies) in force for the remainder of the Contract Term but in no event more than \$17,150 each Contract Year.

The Company shall be liable for the Company Percentage (as described in Section 7(f)) of the annual premium for any such term life insurance policy and the Partnership shall be liable for the remainder of such premium. The beneficiary of any such insurance shall be designated, from time to time, by the Executive in his sole and absolute discretion.

12. Disputes and Indemnification.

(a) Any dispute or controversy arising under, out of, in connection with or in relation to this Agreement shall, at the election and upon written demand of any party to this Agreement, be finally determined and settled by arbitration in the City of Greensboro, North Carolina in accordance with the rules and procedures of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction thereof.

(b) The Partnership and/or the Company shall promptly pay pursuant to Section 7(e) as incurred, to the full extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Partnership, the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement.

(c) The Company and the Partnership agree that if the Executive is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he is or was a director, officer or employee of the Company or the Partnership or is or was serving at the request of the Company or the Partnership as a director, officer, member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether or not the basis of such Proceeding is the Executive's alleged action in an official capacity while serving as a director, officer, member, employee or agent, the Executive shall be indemnified and held harmless by the Company and the Partnership to the fullest extent legally permitted, against all cost, expense, liability and loss (including, without limitation, attorney's fees, judgements, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Executive in connection therewith, and such indemnification shall continue as to the Executive even if he has ceased to be a director, officer, member, employee or agent of the Company or the Partnership or other entity and shall inure to the benefit of Executive's heirs, executors and administrators. The Company and/or the Partnership shall advance to the Executive all reasonable costs and expenses incurred by him in connection with a Proceeding within 20 days after receipt by them of a written request for such advance. Such request shall include an undertaking by the Executive to repay the amount of such advance, without interest, if it shall ultimately be determined that he is not entitled to be indemnified against such costs and expenses.

13. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Partnership, the Company, the Executive and their respective successors, assigns, personal and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

14. Governing Law. This Agreement is being made and executed in and is intended to be performed in the State of North Carolina, and shall be governed, construed, interpreted and enforced in accordance with the substantive laws of the State of North Carolina without any reference to principles of conflicts or choice of law under which the law of any other jurisdiction would apply.

15. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

16. Notices. Any notice, request, claim, demand, document and other communication hereunder to any party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, or certified or registered mail, postage prepaid, as follows:

If to the Partnership, to:

Tanger Properties Limited Partnership
P.O. Box 10889
3200 Northline Avenue, Suite 360
Greensboro, NC 27404
Attn: General Counsel

If to the Company, to:

Tanger Factory Outlets Centers, Inc.
P.O. Box 10889
3200 Northline Avenue, Suite 360
Greensboro, NC 27404
Attn: General Counsel

If to the Executive, to:

Mr. Stanley K. Tanger

P.O. Box 10889

3200 Northline Avenue, Suite 360

Greensboro, NC 27404

or at any other address as any party shall have specified by notice in writing to the other parties.

17. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

18. Entire Agreement. The terms of this Agreement are intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Partnership and the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

19. Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by the Executive, a member of the Partnership and a disinterested director of the Company. By an instrument in writing similarly executed, the Executive or the Company and the Partnership may waive compliance by the other party or parties with any provision of this Agreement that such other party was or is obligated to comply with or perform, provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

20. No Effect on Other Contractual Rights. Notwithstanding Section 8, the provisions of this Agreement, and any other payment provided for hereunder, shall not reduce any amounts otherwise payable to the Executive under any other agreement between the Executive and the Partnership and the Company, or in any way diminish the Executive's rights under any employee benefit plan, program or arrangement of the Partnership or the Company to which he may be entitled as an employee of the Partnership or the Company.

21. No Inconsistent Actions. The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.

22. Legal Fees. The Company and/or the Partnership agree to pay all legal fees and expenses incurred by the Executive in negotiating this Agreement promptly upon receipt of appropriate statements therefor.

23. Section 409A.

(a) The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with Section 409A. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company and/or the Partnership determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company and/or the Partnership may adopt (without any obligation to do so or to indemnify the Executive for failure to do so) such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company and/or the Partnership reasonably determines are necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (ii) comply with the requirements of Section 409A. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Executive or any other individual to the Company and/or the Partnership or any of their respective affiliates, employees or agents.

(b) Separation from Service under 409A. Notwithstanding any provision to the contrary in this Agreement:

(i) No amount shall be payable pursuant to Sections 9(a) or (b) unless the termination of the Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations with respect to both the Company and the Partnership; and

(ii) If the Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement (any such delayed commencement, a "Payment Delay") of any portion of the termination benefits to which the Executive is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A), including, without limitation, any portion of the additional

compensation awarded pursuant to Section 9 and Section 11, is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A of the Code) or (B) the date of the Executive's death. Upon the earlier of such dates (the "Delayed Payment Date"), all payments deferred pursuant to this Section 23(b)(ii) shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein; Any payment subject to the Payment Delay shall be credited with interest for the period during which such payment is delayed pursuant to the Payment Delay at a rate equal to the then current borrowing rate on the Company's unsecured line of credit that is used for daily cash management by the Company as in effect on the date of the Executive's "separation from service" (the "Daily Cash Rate") and, to the extent any payment subject to the Payment Delay is not paid on the Delayed Payment Date, such payment shall be credited with interest at a rate equal two times the Daily Cash Rate for the period commencing with the day after the Delayed Payment Date and ending on the date such payment is made (unless such non-payment is required by applicable law, rule or regulation, in which case such payment shall continue to be credited with interest at the Daily Cash Rate); and

(iii) The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto); and

(iv) For purposes of Section 409A of the Code, the Executive's right to receive installment payments shall be treated as a right to receive a series of separate and distinct payments; and

(v) The reimbursement of any expense under Section 7 or Section 9 shall be made no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any Benefits provided in one year shall not affect the amount of Benefits provided in any other year.

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

EXECUTIVE

/s/ Stanley K. Tanger
Stanley K. Tanger

TANGER FACTORY OUTLET CENTERS, INC.,
a North Carolina Corporation

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer and Secretary

TANGER PROPERTIES LIMITED PARTNERSHIP
a North Carolina Limited Partnership

By: TANGER GP TRUST, its sole General Partner

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Vice President, Treasurer and Assistant Secretary

The Partnership and the Company hereby jointly and severally guarantee to the Executive the prompt payment in full of the compensation owed hereunder by the other.

TANGER PROPERTIES LIMITED PARTNERSHIP
a North Carolina Limited Partnership

By: TANGER GP TRUST, its sole General Partner

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Vice President, Treasurer and Assistant Secretary

TANGER FACTORY OUTLET CENTERS, INC.

a North Carolina corporation

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer and Secretary

Exhibit A

Registration Rights Agreement

Exhibit B

Chairman of the Board Job Description

TANGER FACTORY OUTLET CENTERS

CHAIRMAN OF THE BOARD JOB DESCRIPTION RESPONSIBILITY

Strategy	<ul style="list-style-type: none">· As necessary, Chairman will participate in:<ul style="list-style-type: none">o Developing Financing planso Setting growth targetso Setting goals for executive management· Chairman will continue efforts to promote brand awareness and participate in Company marketing
Acquisition/Development/New Investments	<ul style="list-style-type: none">· As necessary, Chairman will participate in:<ul style="list-style-type: none">o Representing the Company in negotiationso Sourcing acquisitionso Sourcing development opportunities
Financing	<ul style="list-style-type: none">· As necessary, Chairman will participate in:<ul style="list-style-type: none">o Maintaining relationships with financial institutionso Facilitating negotiations
Other Duties	<ul style="list-style-type: none">· Continue service on Board· Set Board agendas· Actively participate in establishing Company's strategic direction· Authorize use of corporate jet· As necessary, Chairman will participate in:<ul style="list-style-type: none">o Company eventso Any major transactions the Company or Board of Directors plan to undertake

AMENDED AND RESTATED

EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT is entered into as of December 29, 2008 and made effective as of January 1, 2009 by and among **TANGER PROPERTIES LIMITED PARTNERSHIP** (the "Partnership"), a North Carolina limited partnership, **TANGER FACTORY OUTLET CENTERS, INC.** (the "Company"), a North Carolina corporation and **STEVEN B. TANGER** (the "Executive").

RECITALS:

A. The Executive is the Chief Operating Officer of the Partnership and an officer and director of the Company under the terms of an Amended and Restated Employment Agreement dated as of January 1, 2004 between the Executive, the Partnership and the Company (the "Existing Employment Contract").

B. The Company, the Partnership and the Executive intend to modify and amend the Existing Employment Contract as provided herein.

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth below the parties hereto agree as follows:

1. Certain Definitions.

(a) "Annual Base Salary" is defined in Section 7(a).

(b) "Annual Bonus" is defined in Section 7(d).

(c) "Benefits" is defined in Section 7(b)(iii).

(d) "Cause" For purposes of this Agreement, the Partnership or the Company shall have "Cause" to terminate the Executive's employment hereunder upon (i) the Executive causing material harm to the Company through a material act of dishonesty in the performance of his duties hereunder, (ii) his conviction of a felony involving moral turpitude, fraud or embezzlement, or (iii) his willful failure to perform his material duties under this Agreement (other than a failure due to disability) after written notice specifying the failure and a reasonable opportunity to cure (it being understood that if his failure to perform is not of a type requiring a single action to cure fully, that he may commence the cure promptly after such written notice and thereafter diligently prosecute such cure to completion).

(e) "Change of Control" shall mean (A) the sale, lease, exchange or other transfer (other than pursuant to internal reorganization) by the Company or the Partnership of more than 50% of its assets to a single purchaser or to a group of associated purchasers; (B) a merger, consolidation or similar transaction in which the Company or the Partnership does not survive as an independent, publicly owned corporation or the Company ceases to be the sole general partner of the Partnership; or (C) the acquisition of securities of the Company or the Partnership in one or a related series of transactions (other than pursuant to an internal reorganization) by a single purchaser or a group of associated purchasers (other than the Executive or any of his lineal descendants, lineal ancestors or siblings) which results in their ownership of twenty-five (25%) percent or more of the number of Common Shares of the

Company (treating any Partnership Units or Preferred Shares acquired by such purchaser or purchasers as if they had been converted to Common Shares) that would be outstanding if all of the Partnership Units and Preferred Shares were converted into Common Shares; (D) a merger involving the Company if, immediately following the merger, the holders of the Company's shares immediately prior to the merger own less than fifty (50%) of the surviving company's outstanding shares having unlimited voting rights or less than fifty percent (50%) of the value of all of the surviving company's outstanding shares; or (E) a majority of the members of the Company's Board of Directors are replaced during any twelve month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election.

(f) "Disability" shall mean the absence of the Executive from the Executive's duties to the Partnership and/or the Company on a full-time basis for a total of 16 consecutive weeks during any 12 month period as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Partnership or the Company and acceptable to the Executive or the Executive's legal representative (such agreement as to acceptability not to be withheld unreasonably).

(g) A "Contract Year" shall be a calendar year.

(h) "Good Reason": The Executive shall have Good Reason to terminate his employment upon the occurrence of any of the following events:

(1) any material adverse change in his job titles, duties, responsibilities, perquisites granted hereunder, or authority without his consent; provided, however, that effective January 1, 2009, the Executive shall have Good Reason to terminate his employment pursuant to this Section (h)(1) upon the occurrence of any material adverse change in his title as President and Chief Executive Officer or the duties, responsibilities or authority related thereto without his consent;

(2) if, after a Change of Control, either (i) the principal duties of the Executive are required to be performed at a location other than New York, New York without his consent or (ii) the Executive no longer reports directly to the Board of Directors;

(3) a material breach of this Employment Agreement by the Partnership or Company, including without limitation, the failure to pay compensation or benefits when due hereunder if such failure is not cured within 30 days after delivery to the Company and the Partnership of the Executive's written demand for payment thereof;

(4) if the Executive elects to terminate his employment by written notice to the Company and the Partnership within the 180 day period following a Change of Control; or

(5) if the Executive is removed, or is not re-elected as a Director of the Company.

(i) "Contract Term" is defined in Section 2(b).

(j) "Section 409A" shall mean, collectively, Section 409A of the Internal Revenue Code of 1986, as amended, and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder, including without limitation any such regulations or other guidance that may be issued after the date of this amendment and restatement.

2. Employment.

(a) The Partnership and the Company shall continue to employ the Executive and the Executive shall remain in the employ of the Partnership and the Company during the Contract Term (as defined in this Section 2) in the positions set forth in Section 3 and upon the other terms and conditions herein provided, unless the Executive's employment is terminated earlier as provided in Section 8 hereof.

(b) The initial Contract Term of the Existing Employment Contract began as of January 1, 2004 (the "Commencement Date") and ended on December 31, 2006 (the "Initial Contract Term"). On each January 1 for the calendar years 2005 through 2008, the Contract Term was automatically extended by one year, and on the first day of January of each calendar year thereafter (an "Extension Date"), the Contract Term shall be automatically extended by one year unless (i) the Executive's employment has been earlier terminated as provided in Section 8 or (ii) either the Partnership or the Company gives written notice to the Executive one hundred eighty (180) days prior to the Extension Date that the Contract Term shall not be automatically extended. For purposes of illustration, if the Executive's employment has not been terminated as provided in Section 8 and if neither the Company nor the Partnership has given written notice to the Executive at least 180 days prior to January 1, 2010 that the Contract Term will not be extended, on January 1, 2010, the Contract Term will be extended to and including December 31, 2012.

If the Contract Term is extended as provided herein, the Executive's employment may be terminated (other than upon expiration) only as provided in Section 8. References herein to the "Contract Term" shall refer to the Initial Contract Term as extended pursuant to this Section 2.

3. Position and Duties.

During the Executive's employment hereunder, he shall serve as:

(a) an executive employee of the Partnership and shall have such duties, functions, responsibilities and authority as are consistent with the Executive's position,

(b) the President and Chief Operating Officer of the Company and shall have such duties, functions, responsibilities and authority as are consistent with the Executive's position as an executive officer with respect to the general management, business and affairs of the Company (and the Partnership, through the Company's capacity as general partner of the Partnership), and

(c) if elected or appointed thereto, as a Director of the Company;

Provided, however, that effective December 31, 2008, the Executive shall resign as Chief Operating Officer of the Company and thereafter will have the title of President and Chief Executive Officer of the Company and will have the duties, functions, responsibilities and authority as are consistent with the Executive's position as the senior executive officer in

charge of the general management, business and affairs of the Company (and the Partnership, through the Company's capacity as general partner of the Partnership). The Executive's position, duties and responsibilities may not be changed and the Executive's Annual Base Salary may not be reduced during his employment hereunder without the Executive's written consent.

4. Competition.

(a) Subject to the limitations and conditions in Section 4(e) hereof, the Executive shall be prohibited from engaging in Competition (as defined in subsection 4(b) below) with the Partnership or the Company during the following described periods: (i) during the period beginning on the date hereof and extending through the date on which the Executive's employment hereunder is terminated; (ii) if the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason, from the date of such termination through the date of the first anniversary of such termination date and (iii) if the Executive receives the Severance Payment described in Section 9(a) because of a termination of his employment by the Company without Cause or by the Executive for Good Reason, from the date of such termination through the date of the third anniversary of such termination date.

(b) During the period prior to the termination of the Executive's employment hereunder, the term "Competition" for purposes of this Agreement shall mean the Executive's management, development or construction of any factory outlet centers or competing retail commercial property outside the Partnership and the Company or any other active or passive investment in property connected with a factory outlet center or a competing retail commercial property outside the Partnership and Company, with the exception of

(1) the development or ownership of properties (or replacement properties) which were owned collectively or individually by the Executive, by members of his family or by any entity in which any of them owned an interest or which was for the benefit of any of them prior to June 30, 1993 (including the three factory outlet centers in which Stanley K. Tanger is a 50% partner, the shopping center on West Market Street in Greensboro, North Carolina (such four properties defined herein as the "Excluded Properties") and the interests of the Tanger Family Limited Partnership),

(2) the ownership of up to 1% of any class of securities of any publicly traded company, and

(3) service on the board of directors of any publicly traded company, whether or not such company engages in Competition as defined in this subsection 4

Provided however, for any period following the termination of the Executive's employment, the Executive shall be considered as engaging in "Competition" prohibited by this Section only if the Executive engages in the prohibited activities with respect to a property that is within a fifty (50) mile radius of the site of any commercial property owned, leased or operated by the Company and/or the Partnership on the date the Executive's employment terminated or with respect to a property that is within a fifty (50) mile radius of any commercial property which the Company and/or Partnership actively negotiated to acquire, lease or operate within the six (6) month period ending on the date of the termination of the Executive's employment.

(c) The Executive covenants that a breach of subsection 4(a) above would immediately and irreparably harm the Partnership and the Company and that a remedy at law would be inadequate to compensate the Partnership and the Company for their losses by reason of such breach and therefore that the Partnership and/or the Company shall, in addition to any other rights and remedies available under this Agreement, at law or otherwise, be entitled to an injunction to be issued by any court of competent jurisdiction enjoining and restraining the Executive from committing any violation of subsection 4(a) above, and the Executive hereby consents to the issuance of such injunction.

5. Registration Rights.

The Executive shall have registration rights pursuant to the Registration Rights Agreement attached hereto as Exhibit A.

6. Place of Performance.

During his employment hereunder, the Executive shall be based at the Partnership's principal executive offices and the Company's principal executive offices located in Greensboro, North Carolina or New York City, at the Executive's choice.

7. Compensation and Related Matters.

During the Executive's employment hereunder, the Executive shall be paid the compensation and shall be provided with the benefits described below:

(a) Annual Base Salary. The Executive's annual base compensation ("Annual Base Salary") payable with respect to the Contract Year ending December 31, 2004 shall be \$400,000. The amount of Annual Base Salary payable to the Executive with respect to each Contract Year thereafter shall be an amount negotiated between and agreed upon by the Executive and the Board of Directors of the Company (in its capacity as general partner and in its own behalf) but in no event less than the Executive's Annual Base Salary for the prior Contract Year.

(b) Benefits. The Executive shall be entitled to

(1) receive stock options (incentive or nonqualified) under the Company's Stock Option Plan and the Partnership's Unit Option Plan;

(2) participate in the Partnership's 401(k) Savings Plan, and

(3) participate in or receive benefits under any employee benefit plan or other arrangement made available by the Partnership or the Company to any of its employees (collectively "Benefits"), on terms at least as favorable as those on which any other employee of the Partnership or the Company shall participate; provided, however, that the Executive shall be entitled to four weeks of paid vacation during each Contract Year, exclusive of Partnership holidays.

Without the Executive's prior written consent, the Company and/or the Partnership will not terminate or reduce any benefits paid to the Executive under this Section 7(b) unless the Executive is furnished with a benefit that is substantially equivalent.

(c) Automobile. In addition to the other compensation and benefits described in this Section 7, the Executive shall be entitled to receive a fixed monthly automobile allowance of \$800, payable at the same times that Base Salary is payable hereunder. The allowance shall be in lieu of reimbursement by the Company of any expense incurred by Executive to

purchase or lease a vehicle that will be available for use by the Executive on Company business. The Executive shall not be required to provide the Company with supporting documentation to substantiate any such expenses and the allowance shall be payable whether or not the Executive actually incurs such automobile expenses in the amount of the allowance. The Executive shall be responsible for the expenses of leasing or purchasing an automobile which are in excess of the allowance provided hereunder.

(d) Annual Bonus. As additional compensation for services rendered, the Executive shall receive such bonus or bonuses as the Company's Board of Directors may from time to time approve including without limitations awards under the Company's Incentive Award Plan; provided that any Annual Bonus shall be payable on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year with respect to which such Annual Bonus relates.

(e) Expenses. Subject to Section 23(b)(v), the Partnership and the Company shall promptly reimburse the Executive for all reasonable travel and other business expenses incurred by the Executive in the performance of his duties to the Partnership and the Company, respectively hereunder.

(f) Payment of Compensation. For each Contract Year or portion thereof covered by this Agreement, the Company shall be liable for the percentage described below (the "Company Percentage") of the cost of the Executive's Annual Base Salary, and for any awards granted by the Company to the Executive pursuant to the Incentive Award Plan of the Company and the Partnership (the "Incentive Award Plan"), and the Partnership shall be liable for the remainder of the cost of the Executive's total compensation (including any awards granted by the Partnership pursuant to the Incentive Award Plan).

The Company Percentage for each Contract Year shall be determined by the Board of Directors of the Company (in its capacity as sole owner of the general partner and in its own behalf), excluding the Executive, as the reasonable allocation of the benefits for the Executive's services.

8. Termination.

The Executive's employment hereunder may be terminated prior to the end of the Contract Term by the Partnership, the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. If the Disability of the Executive has occurred during the Contract Term, the Partnership or the Company, respectively, may give the Executive written notice in accordance with Section 8(g) of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Partnership and the Company shall terminate effective on the 30th day after receipt of such notice by the Executive, provided that within the 30 days after such receipt, the Executive shall not have returned to full-time performance of his duties.

(c) Cause. The Partnership or the Company may terminate the Executive's employment hereunder for Cause.

(d) Good Reason. The Executive may terminate his employment for Good Reason.

(e) Without Cause. The Partnership or the Company may terminate the Executive's employment hereunder without Cause upon 30 days notice.

(f) Resignation without Good Reason. The Executive may resign his employment without Good Reason upon 90 days written notice to the Partnership and the Company.

(g) Notice of Termination. Any termination of the Executive's employment hereunder by the Partnership, the Company or the Executive (other than by reason of the Executive's death) shall be communicated by a notice of termination to the other parties hereto. For purposes of this Agreement, a "notice of termination" shall mean a written notice which (i) indicates the specific termination provision in the Agreement relied upon, (ii) sets forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision indicated and (iii) specifies the effective date of the termination.

9. Severance Benefits.

(a) Termination without Cause or for Good Reason: Subject to Section 23(b), if the Executive's employment shall be terminated (i) by the Company or the Partnership other than for Cause (as defined above) or (ii) by the Executive for Good Reason (as defined above), the Partnership and the Company shall pay a lump sum cash payment (the "Severance Payment") to the Executive within thirty (30) days after such termination of the Executive's employment in an amount equal to 300% of the sum of (A) his Annual Base Salary, (B) his Deemed Annual Bonus for the Contract Year in which the termination occurs and (C) his annual automobile allowance under Section 7(c) hereof. In addition, subject to Section 23(b), the Partnership and the Company shall continue to provide all Benefits to the Executive under this Agreement for each Contract Year through the end of the Contract Term. For these purposes, the Executive's Deemed Annual Bonus for any Contract Year shall be the greater of (i) the Executive's Average Annual Bonus for that Contract Year and (ii) Executive's Annual Bonus for the prior Contract Year. The Executive's Average Annual Bonus for a Contract Year shall be an amount equal to the sum of all Annual Bonuses earned by the Executive for the Contract Years immediately preceding the Contract Year for which the calculation is being made (not exceeding three (3) Contract Years) divided by the number of such Annual Bonuses. In calculating the Executive's Annual Bonus or Average Annual Bonus for a Contract Year, the amount of any share-based award under the Incentive Award Plan that the Executive is required to recognize as income for federal income tax purposes in a Contract Year shall be included as part of the Executive's Annual Bonus for that Contract Year.

(b) Termination by Death or Disability. Subject to Section 23(b), upon the termination of the Executive's employment by reason of his death or Disability, the Company shall pay to the Executive or to the personal representatives of his estate (i) within thirty (30) days after the termination, a lump-sum amount equal to the amount of Annual Base Salary that would have been due through the end of the Contract Term assuming no early termination had occurred and assuming no increases or decreases in Annual Base Salary and (ii) on or before the day on which the Executive's Annual Bonus for the Contract Year in which the termination occurs would have been payable if the termination had not occurred, an amount equal to the Annual Bonus the Executive would have received for that Contract Year if the termination had not occurred multiplied by a fraction the numerator of which is the number of

days in that Contract Year before the date of termination and the denominator of which is 365. This subsection 9(b) shall not limit the entitlement of the Executive, his estate or beneficiaries to any disability or other benefits then available to the Executive under any life, disability insurance or other benefit plan or policy which is maintained by the Partnership or the Company for the Executive's benefit.

(c) Termination for Cause or Without Good Reason. If the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason, the Executive shall be entitled to all Annual Base Salary and all Benefits accrued through the date of termination and to any accrued but unpaid Annual Bonus for a Contract Year prior to the Contract Year in which the Executive's employment was terminated. Such accrued compensation shall be paid in accordance with the Company's ordinary payment practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

(d) Assignment of Life Insurance. Upon any termination of the Executive's employment hereunder, the Partnership and the Company shall, at Executive's option (exercisable at any time during the period commencing upon the termination of his employment and ending 90 days thereafter), transfer the life insurance policy described in such Section 11(b) to Executive, for no consideration. In addition, notwithstanding any provision of the Partnership's Executive Deferred Compensation Plan to the contrary but subject to Section 23(b), all amounts in the Executive's account under such Plan (if there is such a Plan) shall be immediately payable to him.

(e) Survival. Neither the termination of the Executive's employment hereunder nor the expiration of the Contract Term shall impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such termination or expiration.

(f) Mitigation of Damages. In the event of any termination of the Executive's employment by the Partnership or the Company, the Executive shall not be required to seek other employment to mitigate damages, and any income earned by the Executive from other employment or self-employment shall not be offset against any obligations of the Partnership or the Company to the Executive under this Agreement.

10. Limitation on Severance Benefits.

(a) Notwithstanding any other provision of this Agreement, and except as provided in paragraph 10(b) below, payments and benefits to which Executive would otherwise be entitled under the provisions of this Agreement will be reduced (or the Executive shall make reimbursement of amounts previously paid) to the extent necessary to prevent the Executive from having any liability for the federal excise tax levied on certain "excess parachute payments" under section 4999 of the Internal Revenue Code as it exists as of the date of this Agreement.

(b) The Company may determine the amount (if any) of reduction for each payment or benefit that the Executive would otherwise be entitled to receive. The extent to which the payments or benefits to the Executive are to be reduced pursuant to paragraph 10(a) will be determined by the accounting firm servicing the Company on the date that the Executive's employment is terminated. The Company shall pay the cost of such determination.

(c) If the final determination of any reduction in any benefit or payment pursuant to this Section has not been made at the time that the Executive is entitled to receive such benefit or payment, the Company shall pay or provide an estimated amount based on a recommendation by the accounting firm making the determination under subparagraph 10(b). When the final determination is made, the Company shall pay the Executive any additional amounts that may be due or the Executive shall reimburse the Company for any estimated amounts paid to the Executive that were in excess of the amount payable hereunder.

11. Insurance.

(a) Officers and Directors Fiduciary Liability Insurance: During the Executive's employment hereunder, the Company shall maintain, at its expense, officers and directors fiduciary liability insurance that would cover the Executive in an amount of no less than \$3 million per year.

(b) Term Life Insurance: During the Executive's employment hereunder and for a period of ninety (90) days thereafter, the Company shall maintain in force a term life insurance policy on the Executive in the face amount of \$10 million. If the Executive's employment is terminated prior to the expiration of the Contract Term (other than by reason of the Executive's death, a termination by the Company for Cause or a termination by the Executive without Good Reason), the Company shall pay, prior to the expiration of the ninety (90) period described in the preceding sentence, either to the Executive or, on behalf of the Executive, to the issuer(s) of such life insurance policy(ies), an amount sufficient to pay the premiums to maintain such policy(ies) in force for the remainder of the Contract Term.

The Company shall be liable for the Company Percentage (as described in Section 7(f)) of the annual premium for such term life insurance policy and the Partnership shall be liable for the remainder of such premium. The beneficiary of such insurance shall be designated, from time to time, by the Executive in his sole and absolute discretion.

12. Disputes and Indemnification.

(a) Any dispute or controversy arising under, out of, in connection with or in relation to this Agreement shall, at the election and upon written demand of any party to this Agreement, be finally determined and settled by arbitration in the City of New York, New York in accordance with the rules and procedures of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction thereof.

(b) The Partnership and/or the Company shall promptly pay pursuant to Section 7(e) as incurred, to the full extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Partnership, the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement.

(c) The Company and the Partnership agree that if the Executive is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he is or was a director, officer or employee of the Company or the Partnership or is or was serving at the

request of the Company or the Partnership as a director, officer, member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether or not the basis of such Proceeding is the Executive's alleged action in an official capacity while serving as a director, officer, member, employee or agent, the Executive shall be indemnified and held harmless by the Company and the Partnership to the fullest extent legally permitted, against all cost, expense, liability and loss (including, without limitation, attorney's fees, judgements, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Executive in connection therewith, and such indemnification shall continue as to the Executive even if he has ceased to be a director, officer, member, employee or agent of the Company or the Partnership or other entity and shall inure to the benefit of Executive's heirs, executors and administrators. The Company and/or the Partnership shall advance to the Executive all reasonable costs and expenses incurred by him in connection with a Proceeding within 20 days after receipt by them of a written request for such advance. Such request shall include an undertaking by the Executive to repay the amount of such advance, without interest, if it shall ultimately be determined that he is not entitled to be indemnified against such costs and expenses.

13. Binding on Successors.

This Agreement shall be binding upon and inure to the benefit of the Partnership, the Company, the Executive and their respective successors, assigns, personal and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

14. Governing Law.

This Agreement shall be governed, construed, interpreted and enforced in accordance with the substantive laws of the State of North Carolina, without reference to principles of conflicts or choice of law under which the law of any other jurisdiction would apply.

15. Validity.

The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

16. Notices.

Any notice, request, claim, demand, document and other communication hereunder to any party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, or certified or registered mail, postage prepaid, as follows:

- (a) If to the Partnership, to:
Tanger Properties Limited Partnership
P.O. Box 10889
3200 Northline Avenue, Suite 360
Greensboro, NC 27404

Attn: General Counsel

- (b) If to the Company, to:
Tanger Factory Outlets Centers, Inc.
P.O. Box 10889
3200 Northline Avenue, Suite 360
Greensboro, NC 27404

Attn: General Counsel

(c) If to the Executive, to:

Mr. Steven B. Tanger

110 East 59th St.

29th Floor

New York, NY 10022

or at any other address as any party shall have specified by notice in writing to the other parties.

17. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

18. Entire Agreement.

The terms of this Agreement are intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Partnership and the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

19. Amendments; Waivers.

This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by the Executive, a member of the Partnership and a disinterested director of the Company. By an instrument in writing similarly executed, the Executive or the Company and the Partnership may waive compliance by the other party or parties with any provision of this Agreement that such other party was or is obligated to comply with or perform, provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

20. No Effect on Other Contractual Rights.

Notwithstanding Section 8, the provisions of this Agreement, and any other payment provided for hereunder, shall not reduce any amounts otherwise payable to the Executive under any other agreement between the Executive and the Partnership and the Company, or in any way diminish the Executive's rights under any employee benefit plan, program or arrangement of the Partnership or the Company to which he may be entitled as an employee of the Partnership or the Company.

21. No Inconsistent Actions.

The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.

22. Legal Fees.

The Company and/or the Partnership agree to pay all legal fees and expenses incurred by the Executive in negotiating this Agreement promptly upon receipt of appropriate statements therefor.

23. Section 409A.

(a) The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with Section 409A. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company and/or the Partnership determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company and/or the Partnership may adopt (without any obligation to do so or to indemnify the Executive for failure to do so) such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company and/or the Partnership reasonably determines are necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (ii) comply with the requirements of Section 409A. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Executive or any other individual to the Company and/or the Partnership or any of their respective affiliates, employees or agents.

(b) Separation from Service under 409A. Notwithstanding any provision to the contrary in this Agreement:

(i) No amount shall be payable pursuant to Sections 9(a) or (b) unless the termination of the Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations with respect to both the Company and the Partnership; and

(ii) If the Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement (any such delayed commencement, a "Payment Delay") of any portion of the termination benefits to which the Executive is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A), including, without limitation, any portion of the additional compensation awarded pursuant to Section 9 and Section 11, is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A of the Code) or (B) the date of the Executive's death. Upon the earlier of such dates (the "Delayed Payment Date"), all payments deferred pursuant to this Section 23(b)(ii) shall be paid in a lump sum to the Executive,

and any remaining payments due under the Agreement shall be paid as otherwise provided herein. Any payment subject to the Payment Delay shall be credited with interest for the period during which such payment is delayed pursuant to the Payment Delay at a rate equal to the then current borrowing rate on the Company's unsecured line of credit that is used for daily cash management by the Company as in effect on the date of the Executive's "separation from service" (the "Daily Cash Rate") and, to the extent any payment subject to the Payment Delay is not paid on the Delayed Payment Date, such payment shall be credited with interest at a rate equal two times the Daily Cash Rate for the period commencing with the day after the Delayed Payment Date and ending on the date such payment is made (unless such non-payment is required by applicable law, rule or regulation, in which case such payment shall continue to be credited with interest at the Daily Cash Rate); and

(iii) The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto); and

(iv) For purposes of Section 409A of the Code, the Executive's right to receive installment payments shall be treated as a right to receive a series of separate and distinct payments; and

(v) The reimbursement of any expense under Section 7 or Section 9 shall be made no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any Benefits provided in one year shall not affect the amount of Benefits provided in any other year.

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

EXECUTIVE

/s/ Steven B. Tanger
STEVEN B. TANGER

TANGER FACTORY OUTLET CENTERS, INC., a North Carolina Corporation

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer and Secretary

TANGER PROPERTIES LIMITED PARTNERSHIP a North Carolina Limited Partnership

By: TANGER GP TRUST, its sole General Partner

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Vice President, Treasurer and Assistant Secretary

The Partnership and the Company hereby jointly and severally guarantee to the Executive the prompt payment in full of the compensation owed hereunder by the other.

TANGER FACTORY OUTLET CENTERS, INC., a North Carolina Corporation

By: /s/ Frank C. Marchisello Jr.
Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer and Secretary

TANGER PROPERTIES LIMITED

By: TANGER GP TRUST, its sole General Partner

By: /s/ Frank C. Marchisello Jr.

Frank C. Marchisello, Jr.
Vice President, Treasurer and Assistant Secretary

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT is entered into and made effective as of December 29, 2008 between **TANGER PROPERTIES LIMITED PARTNERSHIP**, a North Carolina Limited Partnership, (the "Company") and **FRANK C. MARCHISELLO, Jr.**, a resident of North Carolina, ("Marchisello").

RECITALS

A. Company and Marchisello entered into an employment agreement dated as of January 1, 2004 (the "Existing Employment Contract").

B. The Company and Marchisello wish to modify and amend the Existing Employment Contract as provided herein.

NOW THEREFORE, in consideration of the promises contained herein and other valuable consideration, the parties agree as follows:

1. Certain Definitions.

(a) "Annual Base Salary" is defined in Section 5(a).

(b) "Annual Bonus" is defined in Section 5(b).

(c) "Benefits" is defined in Section 5(b)(iv).

(d) "Cause": For purposes of this Agreement, the Company shall have "Cause" to terminate Marchisello's employment hereunder upon (i) Marchisello causing material harm to the Company through a material act of dishonesty in the performance of his duties hereunder, (ii) his conviction of a felony involving moral turpitude, fraud or embezzlement, or (iii) his willful failure to perform his material duties under this Agreement (other than a failure due to disability) after written notice specifying the failure and a reasonable opportunity to cure (it being understood that if his failure to perform is not of a type requiring a single action to cure fully, that he may commence the cure promptly after such written notice and thereafter diligently prosecute such cure to completion).

(e) "Change of Control" shall mean (A) the sale, lease, exchange or other transfer (other than pursuant to internal reorganization) by the Company or Tanger Factory Outlet Centers, Inc. (the "TFOC") of more than 50% of its assets to a single purchaser or to a group of associated purchasers; (B) a merger, consolidation or similar transaction in which TFOC or the Company does not survive as an independent, publicly owned corporation or TFOC or an entity wholly owned by TFOC ceases to be the sole general partner of the Company; or (C) the acquisition of securities of TFOC or the Company in one or a related series of transactions (other than pursuant to an internal reorganization) by a single purchaser or a group of

associated purchasers (other than Marchisello or any of his lineal descendants, lineal ancestors or siblings) which results in their ownership of twenty-five (25%) percent or more of the number of Common Shares of TFOC (treating any Partnership Units or Preferred Shares acquired by such purchaser or purchasers as if they had been converted to Common Shares) that would be outstanding if all of the Partnership Units and Preferred Shares were converted into Common Shares; (D) a merger involving TFOC if, immediately following the merger, the holders of TFOC's shares immediately prior to the merger own less than fifty (50%) of the surviving company's outstanding shares having unlimited voting rights or less than fifty percent (50%) of the value of all of the surviving company's outstanding shares; or (E) a majority of the members of the Company's Board of Directors are replaced during any twelve month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election.

(f) "Disability" shall mean the absence of Marchisello from Marchisello's duties to the Company and/or TFOC on a full-time basis for a total of 16 consecutive weeks during any 12 month period as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company and acceptable to Marchisello or Marchisello's legal representative (such agreement as to acceptability not to be withheld unreasonably).

(g) A "Contract Year" shall be a calendar year.

(h) "Good Reason": Marchisello shall have Good Reason to terminate his employment upon the occurrence of any of the following events:

(1) any material adverse change in his job titles, duties, responsibilities, perquisites granted hereunder, or authority without his consent;

(2) if, after a Change of Control, either the principal duties of Marchisello are required to be performed at a location other than the Greensboro, North Carolina metropolitan area without his consent;

(3) a material breach of this Employment Agreement by the Company, including without limitation, the failure to pay compensation or benefits when due hereunder if such failure is not cured within 30 days after delivery to the Company of Marchisello's written demand for payment thereof; or

(4) if Marchisello elects to terminate his employment by written notice to the Company within the 180 day period following a Change of Control.

(i) "Contract Term" is defined in Section 2(b).

(j) "Section 409A" shall mean, collectively, Section 409A of the Internal Revenue Code of 1986, as amended, and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder, including without limitation any such regulations or other guidance that may be issued after the date of this amendment and restatement.

2. EMPLOYMENT.

(a) Marchisello's employment by the Company is continued under this Agreement, which supercedes and replaces the Existing Employment Contract, during the Contract Term (as defined below) upon the terms and conditions herein provided, unless Marchisello's employment is terminated earlier as provided in Section 6 hereof.

(b) The initial Contract Term of the Existing Employment Contract began as of January 1, 2004 (the "Commencement Date") and ended on December 31, 2006 (the "Initial Contract Term"). On each January 1 for the calendar years 2005 through 2008, the Contract Term was automatically extended by one year, and on the first day of January of each calendar year thereafter (an "Extension Date"), the Contract Term shall be automatically extended by one year unless (i) Marchisello's employment has been earlier terminated as provided in Section 6 or (ii) the Company gives written notice to Marchisello one hundred eighty (180) days prior to the Extension Date that the Contract Term shall not be automatically extended. For purposes of illustration, if Marchisello's employment has not been terminated as provided in Section 6 and if the Company has not given written notice to Marchisello at least 180 days prior to January 1, 2010 that the Contract Term will not be extended, on January 1, 2010, the Contract Term will be extended to and including December 31, 2012.

If the Contract Term is extended as provided herein, Marchisello's employment may be terminated (other than upon expiration) only as provided in Section 6. References herein to the "Contract Term" shall refer to the Initial Contract Term as extended pursuant to this Section 2.

3. Position and Duties. Marchisello shall serve in the following manner:

(a) During Marchisello's employment hereunder, he shall serve as:

(1) an executive employee of the Company and shall report to a designated senior executive officer of the Company, and

(2) the Executive Vice President and Chief Financial Officer of TFOC and shall have such duties, functions, responsibilities and authority as are consistent with those positions.

4. Competition

(a) Marchisello shall be prohibited from engaging in Competition (as defined in subsection 4(b) below) with the Company or TFOC during the following described periods: (i) during the period beginning on the date hereof and extending through the date on which Marchisello's employment hereunder is terminated; (ii) if Marchisello's employment is terminated by the Company for Cause or by Marchisello without Good Reason, from the date of such termination through the date of the first anniversary of such termination date and (iii) if Marchisello receives the Severance Payment described in Section 7(a) because of a termination of his employment by the Company without Cause or by Marchisello for Good Reason, from the date of such termination through the date of the third anniversary of such termination date.

(b) During the period prior to the termination of Marchisello's employment hereunder, the term "Competition" for purposes of this Agreement shall mean Marchisello's management, development or construction of any factory outlet centers or competing retail commercial property outside the Company and TFOC or any other active or passive investment in property connected with a factory outlet center or a competing retail commercial property outside the Company and TFOC, with the exception of

(1) the ownership of up to 1% of any class of securities of any publicly traded company, and

4(b)

(2) service on the board of directors of any publicly traded company, whether or not such company engages in Competition as defined in this subsection

Provided however, for any period following the termination of Marchisello's employment, Marchisello shall be considered as engaging in "Competition" prohibited by this Section only if Marchisello engages in the prohibited activities with respect to a property that is within a fifty (50) mile radius of the site of any commercial property owned, leased or operated by TFOC and/or the Company on the date Marchisello's employment terminated or with respect to a property that is within a fifty (50) mile radius of any commercial property which TFOC and/or Company actively negotiated to acquire, lease or operate within the six (6) month period ending on the date of the termination of Marchisello's employment.

(c) Marchisello covenants that a breach of subsection 4(a) above would immediately and irreparably harm the Company and TFOC and that a remedy at law would be inadequate to compensate the Company and TFOC for their losses by reason of such breach and therefore that the Company and/or TFOC shall, in addition to any other rights and remedies available under this Agreement, at law or otherwise, be entitled to an injunction to be issued by any court of competent jurisdiction enjoining and restraining Marchisello from committing any violation of subsection 4(a) above, and Marchisello hereby consents to the issuance of such injunction.

5. Compensation and Related Matters. During Marchisello's employment hereunder, Marchisello shall be paid the compensation and shall be provided with the benefits described below:

(a) **Annual Base Salary.** Marchisello's annual base compensation ("Annual Base Salary") payable with respect to the Contract Year ending December 31, 2004 shall be \$275,000.00. The amount of Annual Base Salary payable to Marchisello with respect to each Contract Year thereafter shall be an amount negotiated between and agreed upon by Marchisello and the Company but in no event less than Marchisello's Annual Base Salary for the prior Contract Year.

(b) **Annual Bonus.** As additional compensation for services rendered, Marchisello shall receive such bonus or bonuses as the Company's Board of Directors may from time to time approve including without limitations awards under the Company's Incentive Award Plan; provided that any Annual Bonus shall be payable on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year with respect to which such Annual Bonus relates.

(c) **Benefits.** Marchisello shall be entitled to (i) receive stock options (incentive or nonqualified) under the Company's Unit Option Plan; (ii) participate in the Company's 401(k) Savings Plan; (iii) receive vacation during each Contract Year in accordance with the policy of the Company; and (iv) participate in or receive benefits under any employee benefit plan or other arrangement made available by the Company to any of its employees generally and for which Marchisello is eligible (collectively "Benefits").

(d) Expenses. Subject to Section 10(b)(v), the Company shall promptly reimburse Marchisello for all reasonable travel and other business expenses incurred by Marchisello in the performance of his duties to the Company hereunder.

6. Termination. Marchisello's employment hereunder may be terminated prior to the end of the Contract Term by the Company or Marchisello, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Death. Marchisello's employment hereunder shall terminate upon his death.

(b) Disability. If the Disability of Marchisello has occurred during the Contract Term, the Company may give Marchisello written notice of its intention to terminate Marchisello's employment. In such event, Marchisello's employment with the Company shall terminate effective on the 30th day after receipt of such notice by Marchisello, provided that within the 30 days after such receipt, Marchisello shall not have returned to full-time performance of his duties.

(c) Cause. The Company may terminate Marchisello's employment hereunder for Cause.

(d) Good Reason. Marchisello may terminate his employment for Good Reason.

(e) Without Cause. The Company may terminate Marchisello's employment hereunder without Cause upon 30 days notice.

(f) Resignation without Good Reason. Marchisello may resign his employment without Good Reason upon 90 days written notice to the Company.

(g) Notice of Termination. Any termination of Marchisello's employment hereunder by the Company or Marchisello (other than by reason of Marchisello's death) shall be communicated by a notice of termination to the other party hereto. For purposes of this Agreement, a "notice of termination" shall mean a written notice which (i) indicates the specific termination provision in the Agreement relied upon, (ii) sets forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of Marchisello's employment under the provision indicated and (iii) specifies the effective date of the termination.

7. Severance Benefits

(a) Termination without Cause or for Good Reason: If Marchisello's employment shall be terminated (i) by the Company other than for Cause (as defined above) or (ii) by Marchisello for Good Reason (as defined above), then subject to Section 10(b), the Company shall pay Marchisello an amount equal to 300% of the sum of (x) his Annual Base Salary and (y) (B) his Deemed Annual Bonus for the Contract Year in which the termination occurs. Such amount shall be paid in equal consecutive installments, in accordance with the

Company's regular pay schedule and subject to Section 10(b)(iv), over a 36 month period beginning on the effective date of the termination of Marchisello's employment. For these purposes, Marchisello's Deemed Annual Bonus for any Contract Year shall be the greater of (i) his Average Annual Bonus for that Contract Year and (ii) his Annual Bonus for the prior Contract Year. Marchisello's Average Annual Bonus for a Contract Year shall be an amount equal to the sum of all Annual Bonuses earned by Marchisello for the Contract Years immediately preceding the Contract Year for which the calculation is being made (not exceeding three (3) Contract Years) divided by the number of such Annual Bonuses. In calculating Marchisello's Annual Bonus or Average Annual Bonus for a Contract Year, the amount of any share-based award under the Incentive Award Plan that Marchisello is required to recognize as income for federal income tax purposes in a Contract Year shall be included as part of Marchisello's Annual Bonus for that Contract Year.

(b) Termination by Death or Disability. Subject to Section 10(b), upon the termination of Marchisello's employment by reason of his death or Disability, the Company shall pay to Marchisello or to the personal representatives of his estate (i) within thirty (30) days after the termination, a lump-sum amount equal to the amount of Annual Base Salary for the Contract Year within which such termination occurs and (ii) on or before the day on which Marchisello's Annual Bonus for the Contract Year in which the termination occurs would have been payable if the termination had not occurred, an amount equal to the Annual Bonus Marchisello would have received for that Contract Year if the termination had not occurred multiplied by a fraction the numerator of which is the number of days in that Contract Year before the date of termination and the denominator of which is 365. This subsection 7(b) shall not limit the entitlement of Marchisello, his estate or beneficiaries to any disability or other benefits then available to Marchisello under any life, disability insurance or other benefit plan or policy which is maintained by the Company for his benefit.

(c) Termination for Cause or Without Good Reason. If Marchisello's employment is terminated by the Company for Cause or by Marchisello without Good Reason, Marchisello shall be entitled to all Annual Base Salary and all Benefits accrued through the date of termination. Such accrued compensation shall be paid in accordance with the Company's ordinary pay practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

(d) Survival. Neither the termination of Marchisello's employment hereunder nor the expiration of the Contract Term shall impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such termination or expiration.

(e) Mitigation of Damages. In the event of any termination of Marchisello's employment by the Company, Marchisello shall not be required to seek other employment to mitigate damages, and any income earned by Marchisello from other employment or self-employment shall not be offset against any obligations of the Company to Marchisello under this Agreement.

8. Limitation on Severance Benefits

(a) Notwithstanding any other provision of this Agreement, and except as provided in paragraph 8(b) below, payments and benefits to which Marchisello would otherwise be entitled under the provisions of this Agreement will be reduced (or Marchisello shall make reimbursement of amounts previously paid) to the extent necessary to prevent Marchisello from having any liability for the federal excise tax levied on certain "excess parachute payments" under section 4999 of the Internal Revenue Code as it exists as of the date of this Agreement.

(b) The Company may determine the amount (if any) of reduction for each payment or benefit that Marchisello would otherwise be entitled to receive. The extent to which the payments or benefits to Marchisello are to be reduced pursuant to paragraph 8(a) will be determined by the accounting firm servicing the Company on the date that Marchisello's employment is terminated. The Company shall pay the cost of such determination.

(c) If the final determination of any reduction in any benefit or payment pursuant to this Section has not been made at the time that Marchisello is entitled to receive such benefit or payment, the Company shall pay or provide an estimated amount based on a recommendation by the accounting firm making the determination under subparagraph 8(b). When the final determination is made, the Company shall pay Marchisello any additional amounts that may be due or Marchisello shall reimburse the Company for any estimated amounts paid to Marchisello that were in excess of the amount payable hereunder.

9. Miscellaneous

9.1 Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Company and Marchisello and their respective successors, assigns, personal and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

9.2 Governing Law. This Agreement is being made and executed in and is intended to be performed in the State of North Carolina, and shall be governed, construed, interpreted and enforced in accordance with the substantive laws of the State of North Carolina without any reference to principles of conflicts or choice of law under which the law of any other jurisdiction would apply.

9.3 Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

9.4 Notices. Any notice, request, claim, demand, document and other communication hereunder to any party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, or certified or registered mail, postage prepaid, as follows:

(a) If to the Company, to:

Mr. Stanley K. Tanger

Tanger Properties Limited Partnership

3200 Northline Avenue, Suite 360 or

P.O. Box 10889

Greensboro, NC 27408

(b) If to Marchisello, to:

Mr. Frank C. Marchisello, Jr.

600 Brookfield Drive

Gibsonville, NC 27249

or at any other address as any party shall have specified by notice in writing to the other parties.

9.5 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

9.6 Entire Agreement. The terms of this Agreement are intended by the parties to be the final expression of their agreement with respect to the employment of Marchisello by the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

9.7 Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by Marchisello and the Company. By an instrument in writing similarly executed, Marchisello or the Company may waive compliance by the other party with any provision of this Agreement that such other party was or is obligated to comply with or perform, provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

9.8 No Effect on Other Contractual Rights. Notwithstanding Section 6, the provisions of this Agreement, and any other payment provided for hereunder, shall not reduce any amounts otherwise payable to Marchisello under any other agreement between Marchisello and the Company, or in any way diminish Marchisello's rights under any employee benefit plan, program or arrangement of the Company to which he may be entitled as an employee of the Company.

9.9 No Inconsistent Actions. The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.

10. Section 409A.

(a) The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with Section 409A. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company may adopt (without any obligation to do so or to indemnify Marchisello for failure to

do so) such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company reasonably determines are necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (ii) comply with the requirements of Section 409A. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from Marchisello or any other individual to the Company or any of its affiliates, employees or agents.

(b) Separation from Service under 409A. Notwithstanding any provision to the contrary in this Agreement:

(i) No amount shall be payable pursuant to Sections 7(a) or (b) unless the termination of Marchisello's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations with respect to the Company; and

(ii) If Marchisello is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which Marchisello is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A), including, without limitation, any portion of the additional compensation awarded pursuant to Section 7, is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Marchisello's termination benefits shall not be provided to Marchisello prior to the earlier of (A) the expiration of the six-month period measured from the date of Marchisello's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A of the Code) or (B) the date of Marchisello's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 10(b)(ii) shall be paid in a lump sum to Marchisello, and any remaining payments due under the Agreement shall be paid as otherwise provided herein; and

(iii) The determination of whether Marchisello is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto); and

(iv) For purposes of Section 409A of the Code, Marchisello's right to receive installment payments pursuant to Sections 7(a) or (b) shall be treated as a right to receive a series of separate and distinct payments; and

(v) The reimbursement of any expense under Section 5 or Section 7 shall be made no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any Benefits provided in one year shall not affect the amount of Benefits provided in any other year.

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed as of the day and year first above written.

TANGER PROPERTIES LIMITED PARTNERSHIP, a North Carolina Limited Partnership

By: TANGER GP TRUST, its sole General Partner

By: /s/ Stanley K. Tanger
Stanley K. Tanger, Chief Executive Officer
and Chairman of the Board

/s/ Frank C. Marchisello Jr (SEAL)
FRANK C. MARCHISELLO, JR.

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

Effective as of December 29, 2008

This Agreement is entered into and made effective as of December 29, 2008 (the "Effective Date") between **Tanger Properties Limited Partnership** (the "Company") and **LISA J. MORRISON** (the "Executive"). The Company and the Executive are sometimes referred to individually as a "Party" and collectively as the "Parties".

RECITALS

A. The Company and the Executive have agreed upon the terms and conditions of the Executive's employment by the Company. Company and Executive entered into an Employment Agreement dated June 1, 2001 which was amended and restated as of January 1, 2002, January 1, 2005, January 1, 2006, and January 1, 2008 (the "Prior Agreement").

B. The Parties intend to set forth herein the entire agreement between them with respect to Executive's employment by the Company. The Parties intend to modify, amend and restate their Prior Agreement upon the terms and conditions set forth herein.

Now therefore in consideration of the foregoing recitals and the promises contained herein the Parties agree as follows:

1. **EMPLOYMENT AND DUTIES.**

1.1 **Employment.** During the Contract Term (as defined herein), the Company will employ the Executive and the Executive shall serve the Company as a full-time employee upon and subject to the terms and conditions of this Agreement. The Executive's employment hereunder may be terminated before the end of the Contract Term only as provided in Section 5 of this Agreement.

1.2 **Position and Responsibilities.** Executive has been elected and is currently serving as Senior Vice President-Leasing. During the Executive's employment hereunder, her primary duties, functions, responsibilities and authority will include overseeing the Company's leasing activities. Further, Executive shall perform such other duties as are assigned to her by the Chief Executive Officer, Chief Operating Officer and/or the Board of Directors.

1.3 **Time and Effort.** During the Contract Term, Executive shall be employed on a full-time basis and shall devote her best efforts and substantially all of her attention, business time and effort (excluding sick leave, vacation provided for herein and reasonable time devoted to civic and charitable activities) to the business and affairs of the Company.

2. **PERIOD OF EMPLOYMENT.**

2.1 **Initial Contract Term.** The period of employment pursuant to the Prior Agreement began on January 1, 2008 (the "Commencement Date") and shall extend through December 31, 2010 (the "Initial Contract Term"), unless earlier terminated as provided in Section 5 or extended as provided in this Section 2. The calendar year beginning January 1, 2008 and each calendar year thereafter during the Contract Term is sometimes herein referred to as a "Contract Year".

2.2 Extended Contract Term. The Contract Term shall be automatically extended at the end of the Initial or an Extended Term for one additional Contract Year (sometimes herein referred to as an "Extended Term") unless either the Executive or the Company shall give written notice to the other of them that the Contract Term shall not be so extended at least one hundred eighty (180) days prior to the end of the Initial or an Extended Term. An Extended Term shall be upon the same terms and conditions as were applicable to the Initial Term except that the Annual Base Salary shall be the Executive's Annual Base Salary for the Contract Year immediately preceding the Extended Term. References herein to the "Contract Term" of this Agreement shall refer to the Initial Term as extended pursuant to this Section.

3. COMPENSATION.

3.1 Base Salary. As compensation for Executive's services performed pursuant to this Agreement, Employer will pay Executive an "Annual Base Salary" of \$231,500 for the Contract Year beginning January 1, 2008 and, with respect to each Contract Year thereafter an amount agreed upon by Executive and the Company but not less than \$231,500. The Annual Base Salary shall be paid in equal installments in arrears in accordance with Employer's regular pay schedule.

3.2 Bonus Compensation. For the Contract Year beginning January 1, 2008 and, if approved by the Company's Board of Directors, for each Contract Year thereafter, in addition to her Annual Base Salary, Executive will be paid an annual bonus ("Annual Bonus") in an amount equal to the lesser of (i) one hundred percent (100%) of Executive's Annual Base Salary in effect on the last day of such Contract Year and (ii) an amount equal to nine and sixteen one-hundredths percent (9.16%) of the total the commissions of Qualified Leasing Representatives (as defined below) with respect to that Contract Year computed as a percentage of average annual tenant rents (net of tenant allowances) in accordance with the Company's leasing team bonus plan in effect for that Contract Year; provided however, that such Annual Bonus shall be payable on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year with respect to which such Annual Bonus relates. Notwithstanding the foregoing, if the amount determined under clause (ii) above is greater than 100% of Executive's Annual Base Salary, such excess amount shall be carried over to the next succeeding Contract Year and added to the amount determined under clause (ii) in the calculation of her Annual Bonus for that succeeding Contract Year; provided, however, that such excess amount shall be payable on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the succeeding Contract Year; and provided, further, that the payment of such excess amount shall be subject to the continued employment of the Executive through December 31 of such succeeding Contract Year¹.

For purposes of this Agreement, "Qualified Leasing Representative", with respect to any Contract Year, shall mean any person, including Executive, who is entitled to participate in the Company's leasing team bonus plan for that Contract Year.

For purposes of illustration only, applying the bonus formula for the calendar year 2007, Executive's Annual Bonus for that calendar year would have been as follows:

A	B	C	D	E
Year	Annual Base Salary	Total 2007 Commissions of Qualifying Leasing Representatives	Executive's Potential 2007 Annual Bonus (C x 9.16% plus any carryover from preceding Contract Year)	Executive's Maximum 2007 Annual Bonus (B x 100%)
2007	\$220,500	\$2,116,012	\$193,827	\$220,500

4. EMPLOYEE BENEFITS.

4.1 Executive Benefit Plans. Executive shall participate in the employee benefit plans (including group medical and dental plans, a group term life insurance plan, a disability plan and a 401(k) Savings plan) generally applicable to employees of the Company, as those plans may be in effect from time to time.

4.2 Expenses. Subject to Section 10.2(e), the Company shall promptly reimburse the Executive for all reasonable travel and other business expenses incurred by the Executive in the performance of her duties to the Company hereunder. Executive shall observe and comply with the Company's policies with respect to such reimbursements as in effect from time to time. At least monthly, Executive will submit such records and paid bills supporting the amount of the expenses incurred and to be reimbursed as the Company shall reasonably request or as shall be required by applicable laws.

4.3 Vacation. Executive shall have the number of days of paid vacation during each calendar year that are provided to employees of the Company with the same number of years of service as Executive has pursuant to the Company's vacation policy described in the Company's employee handbook in effect on the first day of that calendar year.

5. TERMINATION OF EMPLOYMENT.

5.1 Termination Circumstances. Executive's employment hereunder may be terminated prior to the end of the Contract Term by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Death. Executive's employment hereunder shall terminate upon her death.

(b) Disability. The Company may terminate Executive's employment upon her Disability.

(c) Cause. The Company may terminate the Executive's employment hereunder for Cause.

(d) Good Reason. Executive may terminate her employment for Good Reason.

(e) Without Cause. The Company may terminate Executive's employment hereunder other than for Cause for any or no reason upon 30 days' notice.

(f) Resignation without Good Reason. The Executive may resign her employment without Good Reason upon 90 days' written notice to the Company.

(g) Resignation following a Change of Control. The Executive may terminate her employment during the period commencing on the date of the first Change of Control to occur following the Effective Date and ending on the 75th day following such Change of Control (the "Cessation Date") by written notice provided to the Company on or prior to the 60th day following such Change of Control.

Except as may otherwise be expressly provided in Section 7.1(a) or in any written agreement between the Company and Executive with respect to the issuance of awards under the Company's Incentive Award Plan, upon termination of Executive's employment, Executive shall be entitled to receive only the compensation accrued but unpaid for the period of employment prior to the date of such termination of employment and shall not be entitled to additional compensation. Such accrued compensation shall be paid in accordance with the Company's ordinary payment practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

5.2 Notice of Termination. Any termination of the Executive's employment hereunder by the Company or by the Executive (other than by reason of the Executive's death) shall be communicated by a notice of termination to the other party hereto. For purposes of this Agreement, a "notice of termination" shall mean a written notice which (i) indicates the specific termination provision in the Agreement relied upon, (ii) sets forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision indicated and (iii) specifies the effective date of the termination.

6. AGREEMENT NOT TO COMPETE

6.1 Covenant Against Competition. Executive agrees that during the term of Executive's employment hereunder and (i) if Executive's employment is terminated by the Company for Cause or by Executive without Good Reason, for one hundred eighty (180) days after the date of such termination or (ii) if Executive receives the Severance Payment described in Section 7.1(a) if this Agreement because of a termination of her employment by the Company without Cause or by Executive for Good Reason, from the date of such

termination through the first anniversary of such termination date, Executive shall not, directly or indirectly, as an employee, employer, shareholder, proprietor, partner, principal, agent, consultant, advisor, director, officer, or in any other capacity,

(1) engage in activities involving the development or operation of a manufacturers outlet shopping center which is located within a radius of fifty (50) miles of a retail shopping facility which, within the 365-day period ending on the date of the termination of Executive's employment hereunder, was owned (with an effective ownership interest of 50% or more), directly or indirectly, by the Company or was operated by the Company;

(2) engage in activities involving the development or operation of a manufacturers outlet shopping center which is located within a radius of fifty (50) miles of any site which, within the 365-day period ending on the date of the termination of Executive's employment hereunder, the Company or its affiliate negotiated to acquire and/or lease for the development or operation of a retail shopping facility;

(3) engage in activities involving the development or operation of a full price retail shopping facility which is located within a radius of five (5) miles of, and competes directly for tenants with, a full price retail shopping facility which, within the 365-day period ending on the date of the termination of Executive's employment hereunder, was (i) under development by the Company or its affiliate; (ii) owned (with an effective ownership interest of 50% or more), directly or indirectly, by the Company; or (iii) operated by the Company.

6.2 Disclosure of Information. Executive acknowledges that in and as a result of her employment hereunder, she may be making use of, acquiring and/or adding to confidential information of a special and unique nature and value relating to such matters as financial information, terms of leases, terms of financing, financial condition of tenants and potential tenants, sales and rental income of shopping centers and other specifics about Company's development, financing, construction and operation of retail shopping facilities. Executive covenants and agrees that she shall not, at any time during or following the term of her employment, directly or indirectly, divulge or disclose for any purpose whatsoever any such confidential information that has been obtained by, or disclosed to her as a result of her employment by Company.

6.3 Reasonableness of Restrictions.

(a) Executive has carefully read and considered the foregoing provision of this Section, and, having done so, agrees that the restrictions set forth in this Section, including but not limited to the time period of restriction set forth in the covenant against competition are fair and reasonable and are reasonably required for the protection of the interests of Company and its officers, directors and other employees.

(b) In the event that, notwithstanding the foregoing, any of the provisions of this Section shall be held invalid or unenforceable by a court of competent jurisdiction,

the remaining provisions thereof shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included herein. In the event that any provision of this Section relating to the time period and/or the areas of restriction shall be declared by a court of competent jurisdiction to exceed the maximum time period or areas such court deems reasonable and enforceable, the time period and/or areas of restriction deemed reasonable and enforceable by the court shall become and thereafter be the maximum time period and/or areas.

6.4 Consideration. Executive promises in this Section not to compete with the Company and not to disclose information obtained during her employment by the Company are made in consideration of the Company's agreement to pay the compensation provided for herein for the period of employment provided herein. Such promises by Executive constitute the material inducement to Company to employ Executive for the term and to pay the compensation provided for in this Agreement and to make and to continue to make confidential information developed by Company available to Executive.

6.5 Company's Remedies. Executive covenants and agrees that if she shall violate any of her covenants or agreements contained in this Section, the Company shall, in addition to any other rights and remedies available to it at law or in equity, have the following rights and remedies against Executive:

(a) The Company shall be relieved of any further obligation to Executive under the terms of this agreement;

(b) The Company shall be entitled to an accounting and repayment of all profits, compensation, commissions, remunerations or other benefits that Executive, directly or indirectly, has realized and/or may realize as a result of, growing out of or in connection with, any such violation; and

(c) Company shall be entitled to a permanent injunction to prevent or restrain the breach or violation of the agreements contained herein by Executive or by Executive's partners, agents, representatives, servants, employees and/or any and all persons directly acting for or with Executive.

The foregoing rights and remedies of the Company shall be cumulative and the election by the Company to exercise any one or more of them shall not preclude the Company's exercise of any other rights described above or otherwise available under applicable principles of law or equity.

7. SEVERANCE BENEFITS.

7.1 Description of Benefits.

(a) Termination without Cause or for Good Reason: Subject to Section 7.1(g), if Executive's employment shall be terminated (i) by the Company other than for Cause or (ii) by the Executive for Good Reason, subject to the limitation in Section 7.2 and the provisions of Section 10.2 hereof, the Company shall pay Executive an amount equal to one hundred percent (100%) of the sum of (x) her Annual Base Salary and (y) her Average Annual Bonus. Such amount shall be paid in equal consecutive installments, in accordance with the Company's regular pay schedule and subject to Section 10.2(d), over a twelve (12) month period beginning on the effective date of the termination of Executive's employment. For these purposes, Executive's Average Annual Bonus shall be the average of the Annual Bonuses earned by Executive for the three consecutive Contract Years (or if Executive has not been employed for three full Contract Years, such fewer number of full Contract Years she has been employed by the Company) immediately preceding the Contract Year in which Executive's termination of employment occurs.

(b) Termination by Death or Disability. Subject to Section 7.1(g), upon the termination of the Executive's employment by reason of her death or Disability, the Company shall pay to the Executive or to the personal representatives of her estate (i) within thirty (30) days after the termination, a lump-sum amount equal to fifty percent (50%) of the Executive's Annual Base Salary for the Contract Year in which the termination occurs and (ii) on or before the day on which the Executive's Annual Bonus for the Contract Year in which the termination occurs would have been payable pursuant to Section 3.2 if the termination had not occurred, an amount equal to the Annual Bonus the Executive would have received for that Contract Year if the termination had not occurred multiplied by a fraction the numerator of which is the number of days in that Contract Year before the date of termination and the denominator of which is 365. This subsection 7.1(b) shall not limit the entitlement of the Executive, her estate or beneficiaries to any disability or other benefits then available to the Executive under any life, disability insurance or other benefit plan or policy which is maintained by the Company for the Executive's benefit.

(c) Termination for Cause or Without Good Reason. If the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason, the Executive shall be entitled to receive all Annual Base Salary and all Benefits accrued through the date of termination, payable in accordance with the Company's ordinary payment practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

(d) Resignation following a Change of Control. If the Executive elects to terminate her employment following the first Change of Control to occur during the Contract Term (pursuant to Section 5.1(g)), the Company shall pay the Executive an amount equal to one hundred percent (100%) of the sum of (x) her Annual Base Salary and (y) her Average Annual Bonus (as defined above). Such amount shall be paid in equal consecutive installments, in accordance with the Company's regular pay schedule and subject to Section 10.2(d), over a twelve (12) month period beginning on the effective date of the termination of Executive's employment and, in any event, the first installment shall be paid on or prior to the Cessation Date.

(e) Survival. Neither the termination of the Executive's employment hereunder nor the expiration of the Contract Term shall impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such termination or expiration.

(f) Mitigation of Damages. In the event of any termination of the Executive's employment by the Company, the Executive shall not be required to seek other employment to mitigate damages, and any income earned by the Executive from other employment or self-employment shall not be offset against any obligations of the Company to the Executive under this Agreement.

(g) Cessation of Severance Benefits. In the event of any termination of the Executive's employment following the Cessation Date, including, without limitation, a termination of employment by the Company for Cause or by the Executive for Good Reason, the Executive shall not be entitled to receive any severance payments or benefits that would otherwise have been payable to the Executive pursuant to this Agreement in connection with a termination of employment.

7.2 Limitation on Severance Benefits

(a) Notwithstanding any other provision of this Agreement, and except as provided in paragraph 7.2(b) below, payments and benefits to which Executive would otherwise be entitled under the provisions of this Agreement will be reduced (or the Executive shall make reimbursement of amounts previously paid) to the extent necessary to prevent the Executive from having any liability for the federal excise tax levied on certain "excess parachute payments" under section 4999 of the Internal Revenue Code as it exists as of the date of this Agreement.

(b) The Company may determine the amount (if any) of reduction for each payment or benefit that the Executive would otherwise be entitled to receive. The extent to which the payments or benefits to the Executive are to be reduced pursuant to paragraph 7.2(a) will be determined by the accounting firm servicing the Company on the date that the Executive's employment is terminated. The Company shall pay the cost of such determination.

(c) If the final determination of any reduction in any benefit or payment pursuant to this Section has not been made at the time that the Executive is entitled to receive such benefit or payment, the Company shall pay or provide an estimated amount based on a recommendation by the accounting firm making the determination under subparagraph 10(b). When the final determination is made, the Company shall pay the Executive any additional amounts that may be due or the Executive shall reimburse the Company for any estimated amounts paid to the Executive that were in excess of the amount payable hereunder.

8. DEFINITIONS

"Annual Base Salary" is defined in Section 3.

"Annual Bonus" is defined in Section 3.

"Cause" For purposes of this Agreement, the Company shall have "Cause" to terminate the Executive's employment hereunder upon (i) the Company's determination that she has embezzled money or property, (ii) the Executive's willful refusal to perform reasonable duties incident to her employment after ten (10) days' written notice to Executive from the Chief Executive Officer, Chief Operating Officer or Board of Directors of the company of the specific duties to be performed, or (iii) commission of a felony which, in the judgment of the Board of Directors of the Company, adversely affects the business or reputation of the Company.

"Cessation Date" is defined in Section 5.1(g).

"Change of Control" shall mean (A) the sale, lease, exchange or other transfer (other than pursuant to internal reorganization) by the Company or Tanger Factory Outlet Centers, Inc. ("TFOC") of more than 50% of the total gross fair market value of its assets to a single purchaser or to a group of associated purchasers; (B) the acquisition of securities

of TFOC or the Company in one or a related series of transactions (other than pursuant to an internal reorganization) by a single purchaser or a group of associated purchasers (other than Executive or any of her lineal descendants, lineal ancestors or siblings) which results in their ownership of fifty (50%) percent or more of the number of Common Shares of TFOC (treating any Partnership Units or Preferred Shares acquired by such purchaser or purchasers as if they had been converted to Common Shares) that would be outstanding if all of the Partnership Units and Preferred Shares were converted into Common Shares; or (C) a majority of the members of the Company's Board of Directors are replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election.

"Contract Term" is defined in Section 2.

"Contract Year" is defined in Section 2.

"Disability" shall mean Executive's inability, due to a physical or mental illness that is expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, to perform any of the material duties assigned to her by the Company for a period of ninety (90) days or more within any twelve consecutive calendar months.

"Good Reason" The Executive shall have "Good Reason" to terminate her employment hereunder if (i) the Company materially fails to make payment of amounts due to Executive hereunder; (ii) Company commits a material breach of its obligations under this Agreement; or (iii) the principal duties of Executive are required to be performed at a location other than the Greensboro, North Carolina metropolitan area without her consent following the occurrence of (A) a Change of Control, (B) a merger, consolidation or similar transaction in which TFOC or the Company does not survive as an independent, publicly owned corporation or TFOC or an entity wholly owned by TFOC ceases to be the sole general partner of the Company, or (C) a merger involving TFOC if, immediately following the merger, the holders of TFOC's shares immediately prior to the merger own less than fifty percent (50%) of the surviving company's outstanding shares having unlimited voting rights or less than fifty percent (50%) of the value of all of the surviving company's outstanding shares. Notwithstanding the foregoing, the Executive shall not have Good Reason to resign her employment unless (x) she provides the Company with Notice of Termination within 90 days after the occurrence of the act purported to constitute Good Reason, (y) the Company has not remedied the alleged violation(s) on or before the date of termination specified in the Notice of Termination (which, for the avoidance of doubt, shall be a date not less than 30 days following the date such Notice of Termination is provided), and (z) such resignation occurs on or prior to the second anniversary of such act.

"Section 409A" shall mean, collectively, Section 409A of the Internal Revenue Code of 1986, as amended, and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder, including without limitation any such regulations or other guidance that may be issued after the date of this amendment and restatement.

9. MISCELLANEOUS.

9.1 Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Partnership, the Company, the Executive and their respective successors, assigns, personal and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

9.2 Governing Law. This Agreement is being made and executed in and is intended to be performed in the State of North Carolina, and shall be governed, construed, interpreted and enforced in accordance with the substantive laws of the State of North Carolina without any reference to principles of conflicts or choice of law under which the law of any other jurisdiction would apply.

9.3 Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

9.4 Notices. All notices, demands, requests or other communications (collectively, "Notices") required to be given or which may be given hereunder shall be in writing and shall be sent by (a) certified or registered mail, return receipt requested, postage prepaid, or (b) national overnight delivery service, or (c) facsimile transmission (provided that the original shall be simultaneously delivered by national overnight delivery service or personal delivery), or (d) personal delivery, addressed as follows:

If to Company, to:	Tanger Properties Limited Partnership 3200 Northline Avenue Suite 360 Greensboro, NC 27408 Attention:
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With a copy to:	
If to Executive, to:	LISA J. MORRISON 9 Teal Court Greensboro, NC 37455

With a copy to:

Any Notice so sent by certified or registered mail, national overnight delivery service or personal delivery shall be deemed given on the date of receipt or refusal by the intended recipient as indicated on the return receipt, or the receipt of the national overnight delivery service or personal delivery service. Any Notice sent by facsimile transmission shall be deemed given when received by the intended recipient as confirmed by the telecopier electronic confirmation receipt. A Notice may be given either by a party or by such party's

attorney. A Party may (i) change the address to which any Notice to that Party hereunder is to be delivered or (ii) designate additional or substituted parties to whom Notices hereunder to such Party should be sent with any such change or designation to be effective five (5) Business Days after delivery of notice thereof to the other Party in the manner herein provided. As used herein the term "Business Day" shall mean every day, other than Saturdays, Sundays and any other day on which banks in the State in which the Center is located are not generally open for the conduct of banking business during normal business hours.

9.5 Entire Agreement. The terms of this Agreement are intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Partnership and the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

10. SECTION 409A.

10.1 The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with Section 409A of the Internal Revenue Code of 1986, as amended and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder (collectively, "Section 409A"), including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company may adopt (without any obligation to do so or to indemnify the Executive for failure to do so) such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company reasonably determines are necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (ii) comply with the requirements of Section 409A. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Executive or any other individual to the Company or any of its affiliates, employees or agents.

10.2 Separation from Service under 409A. Notwithstanding any provision to the contrary in this Agreement:

(a) No amount shall be payable pursuant to Sections 7.1(a) or (b) unless the termination of the Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations; and

(b) If the Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A), including, without limitation, any portion of the additional compensation awarded pursuant to Sections 7.1(a) or (b), is required in order to

avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A of the Code) or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 10.2(b) shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein; and

(c) The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto); and

(d) For purposes of Section 409A of the Code, the Executive's right to receive installment payments pursuant to Section 7.1(a) shall be treated as a right to receive a series of separate and distinct payments; and

(e) The reimbursement of any expense under Section 4.2 or Section 7.1 shall be made no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate originals as of the day and year first above written.

TANGER PROPERTIES LIMITED PARTNERSHIP (Company)

By: /s/ Frank C. Marchisello Jr.

Print Name: Frank C. Marchisello, Jr.

Print Title: Vice President, Treasurer and Assistant Secretary of Tanger GP Trust
its sole general partner

/s/ Lisa J. Morrison (SEAL)
Executive

Print Name: **LISA J. MORRISON**

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

Effective as of December 29, 2008

This Agreement is entered into and made effective as of December 29, 2008 (the "Effective Date") between **Tanger Properties Limited Partnership** (the "Company") and **JOSEPH NEHMEN** (the "Executive"). The Company and the Executive are sometimes referred to individually as a "Party" and collectively as the "Parties".

RECITALS

A. The Company and the Executive have agreed upon the terms and conditions of the Executive's employment by the Company. Company and Executive entered into an Employment Agreement dated January 1, 1995 which was amended and restated as of January 1, 1999, July 1, 2003, and January 1, 2008 (the "Prior Agreement").

B. The Parties intend to set forth herein the entire agreement between them with respect to Executive's employment by the Company. The Parties intend to modify, amend and restate their Prior Agreement upon the terms and conditions set forth herein.

Now therefore in consideration of the foregoing recitals and the promises contained herein the Parties agree as follows:

1. **EMPLOYMENT AND DUTIES.**

1.1 **Employment.** During the Contract Term (as defined herein), the Company will employ the Executive and the Executive shall serve the Company as a full-time employee upon and subject to the terms and conditions of this Agreement. The Executive's employment hereunder may be terminated before the end of the Contract Term only as provided in Section 5 of this Agreement.

1.2 **Position and Responsibilities.** Executive has been elected and is currently serving as Senior Vice President of Operations. During the Executive's employment hereunder, his primary duties, functions, responsibilities and authority will include overseeing the operations of the Company's retail facilities. Further, Executive shall perform such other duties as are assigned to him by the Chief Executive Officer, Chief Operating Officer and/or the Board of Directors.

1.3 **Time and Effort.** During the Contract Term, Executive shall be employed on a full-time basis and shall devote his best efforts and substantially all of his attention, business time and effort (excluding sick leave, vacation provided for herein and reasonable time devoted to civic and charitable activities) to the business and affairs of the Company.

Notwithstanding the foregoing provisions of this Section, Executive may perform consulting or employment services which do not materially interfere with the performance of his duties as a full time employee of the Company as follows:

(a) For a purchaser of any of the assets or capital stock of Merchants Wholesalers of Missouri, Inc. (the company in which he was formerly a part owner and with whom he was employed) in connection with the purchaser's conduct of a business for the wholesale and retail sale of cigarettes, candy, tobacco and similar items and so long as the purchaser is not engaged in activities which are in competition with the business currently conducted by the Company; and

(b) For Dolgin & Associates (a firm in which Executive owns an interest) in connection with that firm's conduct of the business of providing tax consultation and advice and so long as that firm is not engaged in activities which are in competition with the business currently conducted by the Company.

2. PERIOD OF EMPLOYMENT.

2.1 Initial Contract term. The period of employment pursuant to the Prior Agreement began on January 1, 2008 (the "Commencement Date") and shall extend through December 31, 2010 (the "Initial Contract Term"), unless earlier terminated as provided in Section 5 or extended as provided in this Section 2. The calendar year beginning January 1, 2008 and each calendar year thereafter during the Contract Term is sometimes herein referred to as a "Contract Year".

2.2 Extended Contract Term. On January 1, 2009, the Contract Term shall be automatically extended by one year, and, on the first day of January of each calendar year thereafter (an "Extension Date"), the Contract Term shall be automatically extended by one year unless (i) Executive's employment has been earlier terminated as provided in Section 5 or (ii) the Company gives written notice to Executive one hundred eighty (180) days prior to the Extension Date that the Contract Term shall not be automatically extended. For purposes of illustration, if Executive's employment has not been terminated as provided in Section 5 and if the Company has not given written notice to Executive at least 180 days prior to January 1, 2010 that the Contract Term will not be extended, on January 1, 2010, the Contract Term will be extended to and including December 31, 2012.

If the Contract Term is extended as provided herein, Executive's employment may be terminated (other than upon expiration) only as provided in Section 5. References herein to the "Contract Term" shall refer to the Initial Contract Term as extended pursuant to this Section 2.

3. COMPENSATION.

3.1 Base Salary. As compensation for Executive's services performed pursuant to this Agreement, Employer will pay Executive an "Annual Base Salary" of \$295,470 for the Contract Year beginning January 1, 2008 and, with respect to each Contract Year thereafter an amount agreed upon by Executive and the Company but not less than \$295,470. The Annual Base Salary shall be paid in equal installments in arrears in accordance with Employer's regular pay schedule.

3.2 Bonus or Incentive Compensation. As additional compensation for services rendered, the Executive shall receive such bonus or bonuses as the Company's Board of Directors may from time to time approve including without limitation awards under the Company's Incentive Award Plan. Such bonuses may be payable in cash (a "Cash Bonus") and/or in the form of equity based compensation as allowed under the Company's Incentive Award Plan, provided, however, that any Cash Bonus shall be payable on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year with respect to which such Cash Bonus relates.

4. EMPLOYEE BENEFITS.

4.1 Executive Benefit Plans. Executive shall participate in the employee benefit plans (including group medical and dental plans, a group term life insurance plan, a disability plan and a 401(k) Savings plan) generally applicable to employees of the Company, as those plans may be in effect from time to time.

4.2 Expenses. Subject to Section 10.2(e), the Company shall promptly reimburse the Executive for all reasonable travel and other business expenses incurred by the Executive in the performance of his duties to the Company hereunder. Executive shall observe and comply with the Company's policies with respect to such reimbursements as in effect from time to time. At least monthly, Executive will submit such records and paid bills supporting the amount of the expenses incurred and to be reimbursed as the Company shall reasonably request or as shall be required by applicable laws.

4.3 Vacation. Executive shall have the number of days of paid vacation during each calendar year that are provided to employees of the Company with the same number of years of service as Executive has pursuant to the Company's vacation policy described in the Company's employee handbook in effect on the first day of that calendar year.

5. TERMINATION OF EMPLOYMENT.

5.1 Termination Circumstances. Executive's employment hereunder may be terminated prior to the end of the Contract Term by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

- (a) Death. Executive's employment hereunder shall terminate upon his death.
 - (b) Disability. The Company may terminate Executive's employment upon his Disability.
 - (c) Cause. The Company may terminate the Executive's employment hereunder for Cause.
 - (d) Good Reason. Executive may terminate his employment for Good Reason.
 - (e) Without Cause. The Company may terminate Executive's employment hereunder other than for Cause for any or no reason upon 30 days notice.
 - (f) Resignation without Good Reason. The Executive may resign his employment without Good Reason upon 90 days written notice to the Company.
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Except as may otherwise be expressly provided in Section 7.1(a) or in any written agreement between the Company and Executive with respect to the issuance of awards under the Company's Incentive Award Plan, upon termination of Executive's employment, Executive shall be entitled to receive only the compensation accrued but unpaid for the period of employment prior to the date of such termination of employment and shall not be entitled to additional compensation. Such accrued compensation shall be paid in accordance with the Company's ordinary payment practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

5.2 Notice of Termination. Any termination of the Executive's employment hereunder by the Company or by the Executive (other than by reason of the Executive's death) shall be communicated by a notice of termination to the other party hereto. For purposes of this Agreement, a "notice of termination" shall mean a written notice which (i) indicates the specific termination provision in the Agreement relied upon, (ii) sets forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision indicated and (iii) specifies the effective date of the termination.

6. AGREEMENT NOT TO COMPETE

6.1 Covenant Against Competition. Executive agrees that during the term of Executive's employment hereunder and (i) if Executive's employment is terminated by the Company for Cause or by Executive without Good Reason, for one hundred eighty (180) days after the date of such termination or (ii) if Executive receives the Severance Payment described in Section 7.1(a) if this Agreement because of a termination of his employment by the Company without Cause or by Executive for Good Reason, from the date of such termination through the first anniversary of such termination date, Executive shall not, directly or indirectly, as an employee, employer, shareholder, proprietor, partner, principal, agent, consultant, advisor, director, officer, or in any other capacity,

(1) engage in activities involving the development or operation of a manufacturers outlet shopping center which is located within a radius of fifty (50) miles of a retail shopping facility which, within the 365 day period ending on the date of the termination of Executive's employment hereunder, was owned (with an effective ownership interest of 50% or more), directly or indirectly, by the Company or was operated by the Company;

(2) engage in activities involving the development or operation of a manufacturers outlet shopping center which is located within a radius of fifty (50) miles of any site which, within the 365 day period ending on the date of the termination of Executive's employment hereunder, the Company or its affiliate negotiated to acquire and/or lease for the development or operation of a retail shopping facility;

(3) engage in activities involving the development or operation of any other type of retail shopping facility which is located within a radius of five (5) miles of, and competes directly for tenants with, a retail shopping facility which, within the 365 day period ending on the date of the termination of Executive's employment hereunder, was (i) under development by the Company or its affiliate; (ii) owned (with an effective ownership interest of 50% or more), directly or indirectly, by the Company; or (iii) operated by the Company.

6.2 Disclosure of Information. Executive acknowledges that in and as a result of his employment hereunder, he may be making use of, acquiring and/or adding to confidential information of a special and unique nature and value relating to such matters as financial information, terms of leases, terms of financing, financial condition of tenants and potential tenants, sales and rental income of shopping centers and other specifics about Company's development, financing, construction and operation of retail shopping facilities. Executive covenants and agrees that he shall not, at any time during or following the term of his employment, directly or indirectly, divulge or disclose for any purpose whatsoever any such confidential information that has been obtained by, or disclosed to, him as a result of his employment by Company.

6.3 Reasonableness of Restrictions.

(a) Executive has carefully read and considered the foregoing provision of this Section, and, having done so, agrees that the restrictions set forth in this Section, including but not limited to the time period of restriction set forth in the covenant against competition are fair and reasonable and are reasonably required for the protection of the interests of Company and its officers, directors and other employees.

(b) In the event that, notwithstanding the foregoing, any of the provisions of this Section shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions thereof shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included herein. In the event that any provision of this Section relating to the time period and/or the areas of restriction shall be declared by a court of competent jurisdiction to exceed the maximum time period or areas such court deems reasonable and enforceable, the time period and/or areas of restriction deemed reasonable and enforceable by the court shall become and thereafter be the maximum time period and/or areas.

6.4 Consideration. Executive promises in this Section not to compete with the Company and not to disclose information obtained during his employment by the Company are made in consideration of the Company's agreement to pay the compensation provided for herein for the period of employment provided herein. Such promises by Executive constitute the material inducement to Company to employ Executive for the term and to pay the compensation provided for in this Agreement and to make and to continue to make confidential information developed by Company available to Executive.

6.5 Company's Remedies. Executive covenants and agrees that if he shall violate any of his covenants or agreements contained in this Section, the Company shall, in addition to any other rights and remedies available to it at law or in equity, have the following rights and remedies against Executive:

(a) The Company shall be relieved of any further obligation to Executive under the terms of this agreement;

(b) The Company shall be entitled to an accounting and repayment of all profits, compensation, commissions, remunerations or other benefits that Executive, directly or indirectly, has realized and/or may realize as a result of, growing out of or in connection with, any such violation; and

(c) Company shall be entitled to a permanent injunction to prevent or restrain the breach or violation of the agreements contained herein by Executive or by Executive's partners, agents, representatives, servants, employees and/or any and all persons directly acting for or with Executive.

The foregoing rights and remedies of the Company shall be cumulative and the election by the Company to exercise any one or more of them shall not preclude the Company's exercise of any other rights described above or otherwise available under applicable principles of law or equity.

7. SEVERANCE BENEFITS.

7.1 Description of Benefits.

(a) Termination without Cause or for Good Reason: If Executive's employment shall be terminated (i) by the Company other than for Cause or (ii) by the Executive for Good Reason, subject to the limitation in Section 7.2 hereof, the Company shall pay Executive an amount equal to three hundred percent (300%) of his Annual Base Salary. Subject to Section 10.2, such amount shall be paid in equal consecutive installments in accordance with the Company's regular pay schedule over a twelve (12) month period beginning on the effective date of the termination of Executive's employment.

(b) Termination by Death or Disability. Subject to Section 10.2, upon the termination of the Executive's employment by reason of his death or Disability, the Company shall pay to the Executive or to the personal representatives of his estate (i) within thirty (30) days after the termination, a lump-sum amount equal to one hundred percent (100%) of the Executive's Annual Base Salary for the Contract Year in which the termination occurs and (ii) on or before the day on which the Executive's Cash Bonus for the Contract Year in which the termination occurs would have been payable if the termination had not occurred, an amount equal to the Cash Bonus the Executive would have received for that Contract Year if the termination had not occurred multiplied by a fraction the numerator of which is the number of days in that Contract Year before the date of termination and the denominator of which is 365. This subsection 9(b) shall not limit the entitlement of the Executive, his estate or beneficiaries to any disability or other benefits then available to the Executive under any life, disability insurance or other benefit plan or policy which is maintained by the Company for the Executive's benefit.

(c) Termination for Cause or Without Good Reason. If the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason, the Executive shall be entitled to all Annual Base Salary and all Benefits accrued through the date of termination, payable in accordance with the Company's ordinary payment practices and, in any event, on or prior to the fifteenth (15th) day of the third (3rd) calendar month following the end of the calendar year in which the date of termination occurs.

(d) Survival. Neither the termination of the Executive's employment hereunder nor the expiration of the Contract Term shall impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such termination or expiration.

(e) Mitigation of Damages. In the event of any termination of the Executive's employment by the Company, the Executive shall not be required to seek other employment to mitigate damages, and any income earned by the Executive from other employment or self-employment shall not be offset against any obligations of the Company to the Executive under this Agreement.

7.2 Limitation on Severance Benefits

(a) Notwithstanding any other provision of this Agreement, and except as provided in paragraph 7.2(b) below, payments and benefits to which Executive would otherwise be entitled under the provisions of this Agreement will be reduced (or the Executive shall make reimbursement of amounts previously paid) to the extent necessary to prevent the Executive from having any liability for the federal excise tax levied on certain "excess parachute payments" under section 4999 of the Internal Revenue Code as it exists as of the date of this Agreement.

(b) The Company may determine the amount (if any) of reduction for each payment or benefit that the Executive would otherwise be entitled to receive. The extent to which the payments or benefits to the Executive are to be reduced pursuant to paragraph 7.2(a) will be determined by the accounting firm servicing the Company on the date that the Executive's employment is terminated. The Company shall pay the cost of such determination.

(c) If the final determination of any reduction in any benefit or payment pursuant to this Section has not been made at the time that the Executive is entitled to receive such benefit or payment, the Company shall pay or provide an estimated amount based on a recommendation by the accounting firm making the determination under subparagraph 10(b). When the final determination is made, the Company shall pay the Executive any additional amounts that may be due or the Executive shall reimburse the Company for any estimated amounts paid to the Executive that were in excess of the amount payable hereunder.

8. DEFINITIONS.

"Annual Base Salary" is defined in Section 3.

"Cash Bonus" is defined in Section 3.

"Cause" For purposes of this Agreement, the Company shall have "Cause" to terminate Executive's employment hereunder upon (i) a finding by the Board of Trustees of the Company's general partner, Tanger GP Trust that Executive has materially harmed the Company through a material act of dishonesty in the performance of his duties hereunder, (ii) his conviction of a felony involving moral turpitude, fraud or embezzlement, or (iii) a finding by Tanger GP Trust's Board of Trustees that Executive has willfully failed to perform his material duties under this Agreement (other than a failure due to disability) after written notice specifying the failure and a reasonable opportunity to cure (it being understood that if his failure to perform is not of a type requiring a single action to cure fully, that he may commence the cure promptly after such written notice and thereafter diligently prosecute such cure to completion).

“Change of Control” shall mean (A) the sale, lease, exchange or other transfer (other than pursuant to internal reorganization) by the Company or Tanger Factory Outlet Centers, Inc. (“TFOC”) of more than 50% of its assets to a single purchaser or to a group of associated purchasers; (B) a merger, consolidation or similar transaction in which TFOC or the Company does not survive as an independent, publicly owned corporation or TFOC or an entity wholly owned by TFOC ceases to be the sole general partner of the Company; or (C) the acquisition of securities of TFOC or the Company in one or a related series of transactions (other than pursuant to an internal reorganization) by a single purchaser or a group of associated purchasers (other than Executive or any of his lineal descendants, lineal ancestors or siblings) which results in their ownership of twenty-five (25%) percent or more of the number of Common Shares of TFOC (treating any Partnership Units or Preferred Shares acquired by such purchaser or purchasers as if they had been converted to Common Shares) that would be outstanding if all of the Partnership Units and Preferred Shares were converted into Common Shares; (D) a merger involving TFOC if, immediately following the merger, the holders of TFOC’s shares immediately prior to the merger own less than fifty (50%) of the surviving company’s outstanding shares having unlimited voting rights or less than fifty percent (50%) of the value of all of the surviving company’s outstanding shares; or (E) a majority of the members of the Company’s Board of Directors are replaced during any twelve month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election.

“Contract Term” is defined in Section 2.

“Contract Year” is defined in Section 2.

“Disability” shall mean the absence of Executive from Executive’s duties to the Company on a full-time basis for a total of 16 consecutive weeks during any 12 month period as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company and acceptable to Executive or Executive’s legal representative (such agreement as to acceptability not to be withheld unreasonably).

“Good Reason” The Executive shall have “Good Reason” to terminate his employment hereunder if (i) the Company fails to make payment of amounts due to Executive hereunder within thirty (30) days after Executive has made written demand therefor upon Company; (ii) Company commits a material breach of its obligations under this Agreement and fails to cure such breach after a thirty (30) day written notice thereof; (iii) if, after a Change of Control, the principal duties of Executive are required to be performed at a location other than the Greensboro, North Carolina metropolitan area without his consent; (iv) if Executive elects to terminate his employment by written notice to the Company within the 180 day period following a Change of Control; (v) there is a material adverse change in Executive’s job titles, duties, responsibilities, perquisites granted hereunder or authority without his consent; and (vi) the Company’s headquarters are relocated outside of the Greensboro, North Carolina Metropolitan area without Executive’s consent.

Any Notice so sent by certified or registered mail, national overnight delivery service or personal delivery shall be deemed given on the date of receipt or refusal by the intended recipient as indicated on the return receipt, or the receipt of the national overnight delivery service or personal delivery service. Any Notice sent by facsimile transmission shall be deemed given when received by the intended recipient as confirmed by the telecopier electronic confirmation receipt. A Notice may be given either by a party or by such party's attorney. A Party may (i) change the address to which any Notice to that Party hereunder is to be delivered or (ii) designate additional or substituted parties to whom Notices hereunder to such Party should be sent with any such change or designation to be effective five (5) Business Days after delivery of notice thereof to the other Party in the manner herein provided. As used herein the term "Business Day" shall mean every day, other than Saturdays, Sundays and any other day on which banks in the State in which the Center is located are not generally open for the conduct of banking business during normal business hours.

9.5 Entire Agreement. The terms of this Agreement are intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Partnership and the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

10. SECTION 409A.

10.1 The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with Section 409A of the Internal Revenue Code of 1986, as amended and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder (collectively, "Section 409A"), including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company may adopt (without any obligation to do so or to indemnify the Executive for failure to do so) such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company reasonably determines are necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (ii) comply with the requirements of Section 409A. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Executive or any other individual to the Company or any of its affiliates, employees or agents.

10.2 Separation from Service under 409A. Notwithstanding any provision to the contrary in this Agreement:

(a) No amount shall be payable pursuant to Sections 7.1(a) or (b) unless the termination of the Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations; and

(b) If the Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A), including, without limitation, any portion of the additional compensation awarded pursuant to Sections 7.1(a) or (b), is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A of the Code) or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 10.2(b) shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein; and

(c) The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto); and

(d) For purposes of Section 409A of the Code, the Executive's right to receive installment payments pursuant to Section 7.1(a) shall be treated as a right to receive a series of separate and distinct payments; and

(e) The reimbursement of any expense under Section 4.2 or Section 7.1 shall be made no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate originals as of the day and year first above written.

TANGER PROPERTIES LIMITED PARTNERSHIP (Company)

By: /s/ Frank C. Marchisello Jr.

Print Name: Frank C. Marchisello, Jr.

Print Title: Vice President, Treasurer and Assistant Secretary of Tanger GP Trust
its sole general partner

/s/ Joseph Nehmen (SEAL)
Executive

Print Name: **JOSEPH NEHMEN**