



IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(4/13)

The industrial development agency or authority (IDA) must submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent

For IDA use only

Name of IDA Counties of Warren and Washington Industrial Development Agency		IDA project number (use OSC numbering system for projects after 1998) 5202-17-01	
Street address 5 Warren Street		Telephone number (518) 792-1312	
City Glens Falls		State NY	ZIP code 12801
Name of IDA project operator or agent RAN Entertainment, LLC		Mark an X in the box if directly appointed by the IDA: <input checked="" type="checkbox"/>	
Street address 235 Corinth Road		Employer identification or social security number 81-3190181	
City Queensbury		Telephone number (518) 365-3735	
Name of project Skyzone Queensbury		Primary operator or agent? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Street address of project site 235 Corinth Road		State NY	ZIP code 12804
City Queensbury		Purpose of project (see instructions) Tourism Destination/Retail	
Description of goods and services intended to be exempted from New York State and local sales and use taxes construction materials, fixtures, and furnishings		State NY	
		ZIP code 12804	

Date project operator or agent appointed (mm/dd/yy) 01/23/17	Date project operator or agent status ends (mm/dd/yy) 07/31/18	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: \$1,300,000.00	Estimated value of New York State and local sales and use tax exemption provided: \$91,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Harold G. Taylor	Print title Chairman
Signature 	Date 2/1/17
	Telephone number (518) 792-1312

Instructions

Filing requirements

An IDA must file this form within 30 days of the date the IDA appoints any project operator or other person as agent of the IDA, for purposes of extending any sales and compensating use tax exemptions.

The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA need not file this form if the IDA does not extend any sales or use tax exemption benefits for the project.

If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, the IDA must, within 30 days of the change, file a new form with the new information.

If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA must, within 30 days, send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. It should attach to the letter a copy of the form it originally filed. The IDA need not send a letter for a form that is not valid merely because the "Completion date of project" has passed.

Purpose of project

For Purpose of project, enter one of the following:

- Services
- Agriculture, forestry, fishing
- Finance, insurance, real estate
- Transportation, communication, electric, gas, sanitary services
- Construction
- Wholesale trade
- Retail trade
- Manufacturing
- Other (specify)

Mailing instructions

Mail completed form to:
**NYS TAX DEPARTMENT
IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227**

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1095, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(ii).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

Need help?

	Internet access: www.tax.ny.gov (for information, forms, and publications)
	Sales Tax Information Center: (518) 485-2889
	To order forms and publications: (518) 457-5431
	Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY): (518) 485-5082



IDA Agent or Project Operator

Exempt Purchase Certificate

Effective for projects beginning on or after June 1, 2014

This certificate is not valid unless all entries have been completed.

Note: To be completed by the purchaser and given to the seller. See TSB-M-14(1)S, *Sales Tax Reporting and Recordkeeping Requirements for Industrial Development Agencies and Authorities*, for more information.

Name of seller			Name of agent or project operator RAN Entertainment, LLC		
Street address			Street address 235 Corinth Road		
City, town, or village	State	ZIP code	City, town, or village	State	ZIP code
Queensbury	NY	12804	Queensbury	NY	12804
			Agent or project operator sales tax ID number (see instructions) 81-3190181		

Mark an **X** in one: Single-purchase certificate Blanket-purchase certificate (valid only for the project listed below)

To the seller:

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

Project information

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA Counties of Warren and Washington Industrial Development Agency			
Name of project RAN Entertainment, LLC		IDA project number (use OSC number) 5202-17-01	
Street address of project site 235 Corinth Road			
City, town, or village Queensbury		State NY	ZIP code 12804
Enter the date that you were appointed agent or project operator (mm/dd/yy) 01 / 23 / 17		Enter the date that agent or project operator status ends (mm/dd/yy) 07 / 31 / 18	

Exempt purchases

(Mark an **X** in boxes that apply)

- A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

**COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY**

5 Warren Street, Suite 210
Glens Falls, New York 12801

Telephone (518) 792-1312
website: www.warren-washingtonida.com

Effective as of January 23, 2017

TO WHOM IT MAY CONCERN:

Re: Counties of Warren and Washington
Industrial Development Agency
RAN Entertainment, LLC as duly appointed Agent
(Skyzone Queensbury Project)
(5202-17-01)

Ladies and Gentlemen:

The Counties of Warren and Washington Industrial Development Agency (the "Agency"), by this notice, hereby advises you as follows:

1. The Agency constitutes a corporate governmental agency and a public benefit corporation under the laws of the State of New York, and, therefore, in the exercise of its governmental functions, including the issuance of its bonds or notes, is exempt from the imposition of any New York State sales and use tax. As an exempt governmental entity, no exempt organization identification number has been issued to the Agency nor is one required.

2. Pursuant to an amended resolution adopted by the Agency on December 19, 2016 and a Preliminary Agreement dated as of January 16, 2017 (the "Agreement") between the Agency and RAN Entertainment, LLC, a New York limited liability company, (the "Operator") and RAN Saunders Property Development, LLC (the "Company"), the Agency has authorized the Operator to act as its agent to acquire, lease, construct, install and equip a recreational trampoline park tourist destination/retail facility in the Town of Queensbury, Warren County consisting of:

(i) the acquisition of an interest in a certain commercial parcel or parcels of land located at 235 Corinth Road, Town of Queensbury, County of Warren, State of New York and referred to as Tax Map Parcel Number 309.13-2-28 and a portion of 309.13-2-30 (the "Land"); (ii) the construction and equipping of a 22,200+/- square foot facility to house a recreational trampoline park facility (the "Facility"); (iii) the acquisition and installation therein of certain furnishings and fixtures (the "Equipment" together with the Land and the Facility, collectively the "Project Facility") to be used in connection with the contemplated uses; and (iv) the lease of the Project Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended.

3. In connection with such resolutions and the Agreement and pursuant to the authority therein granted, the Agency has authorized the Operator to act as its agent in connection with the acquisition, construction, installation and equipping of the Project Facility and authorized the Operator to use this letter as its agent only for the payment of the costs of such acquisition, construction, installation and equipping of the Project Facility, all to the extent set forth in, and limited by, Exhibit A attached hereto.

4. The Agency has authorized the Operator to act as its agent and to appoint third-party agents as may be appropriate in connection with the acquisition, construction, and installation and equipping of the Facility.

5. As agent, RAN Entertainment, LLC has agreed that each contract, agreement, invoice, bill or purchase order entered into by RAN Entertainment, LLC, as agent of the Agent, for the acquisition, construction, installation and equipping of the Facility shall include language in substantially the following form:

"IN THE EVENT OF A DEFAULT BY RAN ENTERTAINMENT, LLC IN THE PAYMENT OF ANY MONIES DUE FOR WORK, LABOR, GOODS, SERVICES, MATERIALS OR EQUIPMENT FURNISHED IN ACCORDANCE WITH THIS AGREEMENT, SHOULD THE CONTRACTOR (OR VENDOR) SEEK PAYMENT FROM THE COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY"), IT SHALL BE LIMITED TO A CLAIM AGAINST THOSE FUNDS REMAINING IN PROJECT ACCOUNTS THAT HAVE BEEN ESTABLISHED BY OR ON BEHALF OF THE AGENCY TO FINANCE THE PROJECT FACILITY. THE CONTRACTOR (OR VENDOR) AGREES THAT IT SHALL HAVE NO RIGHTS IN OR CLAIM TO ANY PROPERTY OR ANY FUNDS IN ANY ACCOUNT OF THE AGENCY OTHER THAN THOSE FUNDS OR ACCOUNTS SPECIFICALLY ESTABLISHED BY OR ON BEHALF OF THE AGENCY FOR THE PROJECT FACILITY. THE CONTRACTOR (OR VENDOR) FURTHER AGREES THAT IT MAY NOT MAKE A CLAIM OR OBTAIN A JUDGMENT AGAINST THE AGENCY, ITS MEMBERS, OFFICERS OR EMPLOYEES FOR ANY MONIES OTHER THAN THOSE MONIES REMAINING IN ACCOUNTS ESTABLISHED BY OR ON BEHALF OF THE AGENCY FOR THE PROJECT FACILITY."

6. As described in the attached Exhibit A, the acquisition and construction of structures, facilities and improvements constituting a part of the Facility by RAN Entertainment, LLC, as agent, shall be exempt from the sales and use tax levied by the State of New York and any political subdivision thereof.

7. The Agency shall have no liability or performance obligations under any contract, agreement, invoice, bill or purchase order entered into by RAN Entertainment, LLC, as agent for the Agency hereunder. The Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever, and the Operator shall be the sole party liable thereunder.

8. This agency appointment includes the power to delegate such agency, in whole or in part to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents upon submission of proper documents to the Agency. In exercising this agency appointment, the Operator, its agents, subagents, contractors and subcontractors shall give the supplier or vendor a completed "Exempt Purchase Certificate" (Form ST-123) to show that the Operator, its agents, subagents, contractors and subcontractors are each acting as agent for the Agency. The supplier or vendor should identify the Project Facility on each bill or invoice and indicate thereon which of the Operator, its agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase.

In order to be entitled to use this exemption, the Operator shall present to the supplier or other vendor of materials for the Project Facility, a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1), checking box "(a)". The Operator shall give the supplier or vendor a copy of this letter to show that you (or the contractor) are acting as agent for the Agency in making the purchase. A copy of this letter retained by any vendor or seller may be accepted by such vendor or seller as a "statement and additional documentary evidence or such exemption" as provided by New York Tax Law §1132(c)(2), thereby relieving such vendor or seller from the obligation to collect sales and use tax with respect to the construction and installation and equipping the Project Facility.

In addition, General Municipal Law §874(8) requires the Operator and any other agents to file an Annual Statement with the New York State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions the Operator, its agents, consultants or subcontractors have claimed. The penalty for failure to file such statement is the removal of the authority to act as agent of the Agency. Upon each such annual filing, the Operator shall, within thirty (30) days of each filing, provide a copy of the same to the Agency; provided, however, in no event later than February 15th of each year.

9. Accordingly, until the earlier of (i) July 31, 2018; (ii) the completion of the Project Facility, or (iii) the termination or suspension of this Letter of Authorization for Sales Tax Exemption pursuant to and as provided in the Preliminary Agreement, all vendors, contractors and subcontractors are hereby authorized to rely on this letter (or on a photocopy or fax of this letter) as evidence that purchases of, and improvement and installation contracts relating to, the Project Facility property, to the extent effected by the Operator, as agent for the Agency, are exempt from all New York State sales and use taxes.

COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY

By: 
Name: Harold G. Taylor
Title: Chairman

Exhibit A

Exemptions from sales or use tax relating to (a) the acquisition and installation of Equipment, trade fixtures and other tangible personal property for use at the Project Facility, (b) the acquisition of building materials for construction of the buildings and related structures on the Project Facility, and (c) materials and equipment to be incorporated into the Project Facility, as well as purchases and rentals of supplies, tools, equipment, or services necessary to undertake and/or complete the Project Facility.

S/B
2017

PRELIMINARY AGREEMENT

THIS AGREEMENT having an effective date of January 14, 2016 between the **COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a public benefit corporation of the State of New York having an address of 5 Warren Street, Glens Falls, New York 12801 and **RAN ENTERTAINMENT, LLC DBA SKYZONE QUEENSBURY** (the "Operator"), a New York limited liability company having a current address of 235 Corinth Road, Queensbury, New York 12804 and **RAN SAUNDERS PROPERTY DEVELOPMENT, LLC** (the "Company"), a New York limited liability company having a current address of 235 Corinth Road, Queensbury, New York 12804.

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of the Agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, and Chapter 862 of the Laws of 1971 of the State, as amended (collectively, the "Act"), to undertake industrial development projects (as defined in the Act) and to lease or sell the same upon such terms and conditions as the Agency may deem advisable.

1.02. The policy and purposes of the Act are (i) to promote the economic welfare, recreation opportunities and prosperity of the inhabitants of the State; (ii) to protect and promote the health of the inhabitants of the State by conservation, protection and improvement of the State's natural, cultural and historical resources, including the environment; and (iii) to protect and promote the health of the inhabitants of the State and to increase trade through promoting the development of facilities to provide recreation for the citizens of the State and to attract tourists from other states. The Act further provides that the purposes of an industrial development agency are to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes.

1.03. The Company and the Operator has requested that the Agency provide financial assistance in the form of a payment of lieu of taxes, mortgage tax exemption and sales tax abatements regarding a tourist destination retail construction project (the "Project") to consist of: (i) the acquisition of an interest in a certain commercial parcel or parcels of land located at 235 Corinth Road, Town of Queensbury, County of Warren, State of New York and referred to as Tax Map Parcel Number 309.13-2-28 and a portion of 309.13-2-30 (the "Land"); (ii) the construction and equipping of a 22,200+/- square foot facility to house a recreational trampoline park facility (the "Facility"); (iii) the acquisition and installation therein of certain furnishings and fixtures (the "Equipment" together with the Land and the Facility, collectively the "Project Facility") to be used in connection with the contemplated uses; and (iv) the lease of the Project Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of

the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended; and

1.04. The completion of the Project will not result in the removal of a commercial, industrial or manufacturing plant of the Company or the Operator from one area of the State of New York to another area of the State of New York. Further, the completion of the Project will not result in any loss of jobs and all existing jobs will be retained nor will the completion of the Project result in the abandonment of one or more plants or facilities of the Company and/or the Operator or any other proposed occupant of the Facility located within the State of New York.

1.05. The Agency has determined that the acquisition, construction and equipping of the Project Facility and the leasing or sale of the same to the Company will promote and further the purposes of the Act.

1.06. The Town of Queensbury Planning Board (the "Planning Board") acted as "Lead Agency" for purposes of review of the Project pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, the "SEQRA Act"). The Planning Board adopted a Negative Declaration dated July 19, 2016, relating to the Project, in which the Planning Board stated that the Project will not have a significant effect on the environment. Based on this finding and additional information provided by the Company and the Operator, the Agency has determined that (i) the acquisition, construction and equipping of the Facility is an "Action" under the SEQRA Act; (ii) the Agency has thoroughly reviewed and analyzed all information presented to the Agency, including the Negative Declaration issued by the Planning Board, to determine if the Project might have any potential significant adverse impacts on the environment; (iii) after conducting this review, the Agency has determined that the acquisition, construction and equipping of the Project Facility are consistent with social, economic and other essential consideration and will not result in any adverse environmental impacts or the potential environmental impacts will not be significant; (iv) the Agency has ratified the Negative Declaration issued by the Planning Board; and (v) by making this determination, the Agency satisfies the requirements of Part 617 of Title 6 of the New York Code of Rules and Regulations.

1.07. On December 19, 2016, the Agency adopted a resolution (the "Resolution") agreeing to undertake the Project in order to assist the Company and the Operator, as the case may be, and to effectuate the purposes of the Act and, subject to the happening of all acts, conditions and things required precedent to undertake the Project.

1.08. In the Resolution, the Agency appointed the Company and the Operator its agents for the purposes of acquiring, constructing and equipping the Project Facility, entering into contracts and doing all things requisite and proper for completing the Project Facility.

1.09. In the Resolution, the Agency determined that for this Project the private investment to the Counties of Warren and Washington and the creation of jobs shall be considered

Material Terms for the purposes of monitoring in accordance the policies and procedure of the Agency and of the applicable laws.

a. The Company has indicated that the Project will result in a Two Million Four Hundred Ninety Seven Thousand Dollar (\$2,497,000.00) private sector investment in the Counties of Warren and Washington. The Company agrees that it will verify, in writing, the private sector investment in accordance with the Agency's Recapture Policy.

b. The Company indicated that the Project will lead to the creation of at least six (6) full time and twenty five (25) part time job opportunities within the next two (2) years for the inhabitants of the Counties of Warren and Washington, New York and the State of New York. The Company agrees that it will verify, in writing, the job creation numbers in accordance with the Agency's Recapture Policy and as may otherwise be required by law.

Article 2. Undertakings on the Part of the Agency. Based upon the statements, representations and undertakings of the Company and/or the Operator, as the case may be, and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. The Agency will undertake the Project, pursuant to the terms of the Act, as then in force.

2.02. The Agency will adopt such proceedings and authorize the execution of such documents as may be necessary or advisable for (i) the acquisition, by deed or by lease, construction and equipping of the Project Facility, and (ii) the leasing of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.03. The Agency will enter into an agreement to lease the Project Facility to the Company (the "Lease Agreement"). The Lease Agreement shall obligate the Company to undertake the Project on behalf of the Agency. The Lease Agreement shall contain all provisions required by law and such other provisions as shall be mutually acceptable to the Agency and the Company.

2.04. The Company and Operator are hereby appointed the true and lawful agent of the Agency (i) to acquire, construct and equip the Project Facility, (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the agent of the Agency, (iii) to enter into agreements with third-parties to act as agents and to undertake the Project on the Company's and/or Operator's and the Agency's behalf for the purpose of constructing and completing the project, and in general to do all things which may be requisite or proper for completing the Project Facility, all with the same powers and the same validity as the Agency could do if acting in its own behalf. This provision is subject to the Company and/or Operator entering into an Agent Agreement with the Agency.

In addition, the Company is hereby authorized to proceed with the acquisition, construction and equipping of the Project Facility subject to receiving appropriate municipal approvals needed prior to commencement of construction, and to advance such funds as may be necessary to accomplish such purposes and, to the extent permitted by law.

2.05. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

Article 3. Undertakings on the Part of the Company and/or the Operator. Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein, the Company and the Operator agrees as follows:

3.01. The Company and the Operator accept the appointment as agent of the Agency, with all of the rights, powers, duties and obligations inherent therein.

3.02. The Company and/or the Operator, as the case may be, will, to the extent deemed by it to be necessary or desirable, enter into a contract or contracts for the acquisition, construction and equipping of the Project Facility.

3.03. The Company will enter into the Lease Agreement with the Agency containing the terms and conditions described in Section 2.03 hereof. The Company, as Agent of the Agency, agrees to pay for all costs associated with undertaking the Project and shall not be entitled to any reimbursement for any costs from the Agency.

THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, THAT THE PROJECT FACILITY WILL BE SUITABLE FOR THE PURPOSES OR NEEDS OF THE COMPANY.

3.04. The Company will enter into a Payment in Lieu of Tax (PILOT) Agreement which is in compliance with the provisions of the Agency's Uniform Tax Abatement Policy, or as may otherwise be agreed to by the Agency and the Company, and shall be subject to the Recapture Policy.

3.05. (a) The Company and the Operator shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment ordered or used in connection with the acquisition, construction and equipping of the Project Facility, and including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing, whether such claims or liabilities arise as a result of the Company or the Operator acting as agent for the Agency pursuant to this Agreement or otherwise.

(b) The Company and/or the Operator, as the case may be, shall not permit to

stand, and will, at its own expense, take all steps necessary to remove, any mechanics' or other liens against the Project Facility for labor or material furnished in connection with the acquisition, construction and equipping of the Project Facility.

(c) The Company and the Operator shall indemnify and hold the Agency harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Project Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

3.06. The Company and the Operator agree that, as agent for the Agency, it will comply with the requirements of Section 13 of the Lien Law, as amended.

3.07. The Company and the Operator will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.08. The Company and/or the Operator will pay all costs incurred by the Agency, including but not limited to attorney's fees, which arise out of Company's and Operator's application for Financial Assistance, whether or not such assistance is ultimately issued. Agency's attorney's fees will be calculated at a time rate of \$275.00 per hour for attorney's time and \$105.00 per hour for senior legal assistant's time, plus disbursements. Upon closing of the Project documents, the Company and/or the Operator will pay to the Agency an administrative fee of \$18,728.00 based upon an estimated Project cost of \$2,497,000.00 pursuant to the schedule set forth below and contained within the Company's and Operator's Application for Financial Assistance:

First \$10 Million of Project Costs:	¾ of 1%
Next \$10 Million of Project Costs:	½ of 1%
Next \$10 Million of Project Costs:	¼ of 1 %
Above \$30 Million of Project Costs:	1/8 of 1%.

Following the completion of the Project Facility, the Company and/or the Operator shall confirm, in writing, the actual Project cost. In the event that the total Project cost exceeds the estimate provided herein, the Agency may require the payment of the difference that would otherwise be due pursuant to the above-schedule.

3.09. To ensure that the Agency's costs are reimbursed if the project does not proceed, the Company and/or the Operator shall pay to the Agency the sum of \$12,485.00 as a security deposit.

Article 4. General Provisions.

4.01. This Agreement shall take effect as of the date of the later of the following to occur: (1) execution of this Agreement by the Company or (2) the date of receipt of the security deposit pursuant to Section 3.09 above. The terms of this Preliminary Agreement shall survive the closing date of this Project and shall remain in effect until the termination of the Lease Agreement as such termination date is defined therein.

4.02. It is understood and agreed by the Agency and the Company and the Operator that the provision of financial assistance to the Company and the Operator and the execution of the Lease Agreement and related documents are subject to (i) acquisition of the Land; (ii) obtaining all necessary governmental approvals, (iii) approval of the members of the Agency, and (iv) approval of the Chief Executive Officers of the Counties of Warren and Washington.

4.03. The Company and the Operator agrees that it will (i) reimburse the Agency for all necessary expenses, including but not limited to legal fees and administrative costs, and (ii) indemnify and hold the Agency harmless from all losses, claims, damages and liabilities, in each case which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder.

4.04. The Company at its option may cause a subsidiary or other designee of the Company acceptable to the Agency to enter into the Lease Agreement and to perform its other duties hereunder.

4.05. (a) The obligations and agreements of the Agency contained in this Preliminary Agreement and in the other documents executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company or Operator) or employee of the Agency in his individual capacity, and the members, officers, agents (other than the Company or Operator) and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based on or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State or of the Counties of Warren or Washington, New York, and neither the State nor the Counties of Warren or Washington, New York shall be liable hereon or thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, relative to the Project Facility. The Agency does not have the power or authority to levy taxes.

(b) No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or under any of the documents executed herewith or therewith shall be sought or enforced against the Agency unless (1) the party seeking such order

or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, and (2) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses, and (3) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents (other than the Company or the Operator) or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify and hold harmless the Agency and its members, officers, agents (other than the Company or the Operator) and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, officers, agents (other than the Company or the Operator) and employees against all liability expected to be incurred as a result of compliance with such request.

4.06. (a) The Company and/or the Operator, as the case may be, will, to the extent deemed by it to be necessary or desirable, enter into a contract or contracts for the construction and installation of the Project Facility.

(b) The Company and/or the Operator, as the case may be, shall include the following or substantially similar exculpatory language in each contract entered into in connection with the Project Facility:

"THIS AGREEMENT IS EXECUTED BY _____,
THE DULY APPOINTED AGENT OF THE COUNTIES OF WARREN AND
WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY (THE
"AGENCY"), A PUBLIC BENEFIT CORPORATION OF THE STATE OF
NEW YORK HAVING ITS PRINCIPAL PLACE OF BUSINESS AT 5
WARREN STREET, GLENS FALLS, NEW YORK. IN THE EVENT OF A
DEFAULT BY THE COMPANY IN THE PAYMENT OF ANY MONIES DUE
FOR WORK, LABOR, GOODS, SERVICES, MATERIALS OR EQUIPMENT
FURNISHED IN ACCORDANCE WITH THIS AGREEMENT, SHOULD THE
CONTRACTOR (OR VENDOR) SEEK PAYMENT FROM THE AGENCY, IT
SHALL BE LIMITED TO A CLAIM AGAINST THOSE FUNDS REMAINING
IN PROJECT ACCOUNTS THAT HAVE BEEN ESTABLISHED BY OR ON
BEHALF OF THE AGENCY TO FINANCE THE PROJECT FACILITY. THE
CONTRACTOR (OR VENDOR) AGREES THAT IT SHALL HAVE NO
RIGHTS IN OR CLAIM TO ANY PROPERTY OR ANY FUNDS IN ANY
ACCOUNT OF THE AGENCY OTHER THAN THOSE FUNDS OR

ACCOUNTS SPECIFICALLY ESTABLISHED BY OR ON BEHALF OF THE AGENCY FOR THE PROJECT FACILITY. THE CONTRACTOR (OR VENDOR) FURTHER AGREES THAT IT MAY NOT MAKE A CLAIM OR OBTAIN A JUDGMENT AGAINST THE AGENCY, ITS MEMBERS, OFFICERS OR EMPLOYEES FOR ANY MONIES OTHER THAN THOSE MONIES REMAINING IN ACCOUNTS ESTABLISHED BY OR ON BEHALF OF THE AGENCY FOR THE PROJECT FACILITY.”

(c) Each contract the Company and/or the Operator shall assign to the Agency in connection with the Project Facility shall contain an exculpatory provision substantially similar to or identical to the model provision set forth in paragraph (b) of this Section 4.06.

(d) The Company and the Operator shall file with the Agency copies of all contracts (and all modifications and amendments thereto) entered into for the construction and installation of the Project Facility.

4.07. All notices, or other communications shall be in writing and shall be sufficiently given when delivered and, if delivered by mail, shall be sent by certified mail, postage prepaid, returned receipt requested, addressed as follows:

To the Agency:

Counties of Warren and Washington
Industrial Development Agency
5 Warren Street
Glens Falls, New York 12801
Attention: Chairman

With Copy to:

FitzGerald Morris Baker Firth P.C.
P.O. Box 2017
16 Pearl Street
Glens Falls, NY 12801-2017
Attention: Robert C. Morris, Esq.
Kara I. Lais, Esq.

To the Company/Operator:

RAN Entertainment, LLC dba Skyzone Queensbury
RAN Saunders Property Development, LLC
235 Corinth Road
Queensbury, New York 12804

Attention: Rusty R. Saunders

With Copy to:

Timothy J. Alden, Esq.
1677 Route 9
South Glens Falls, New York 12803

4.08. In the event the Agency is required to take title to the Land, the Agency will re-convey the Land by Bargain and Sale deed only. In no event will the Agency warrant title to the Land, either through deed, mortgage or otherwise.

[SIGNATURE PAGE FOLLOWS]

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

COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY

RAN ENTERTAINMENT, LLC

By: [Signature]
Harold G. Taylor, Chairman

By: [Signature]
Rusty R. Saunders, Member

RAN SAUNDERS PROPERTY DEVELOPMENT, LLC

By: [Signature]
Rusty R. Saunders, Member

STATE OF NEW YORK)
COUNTY OF WARREN) ss.:

[Signature], being first duly sworn, deposes and says:

1. That I am the member (Corporate Office) of RAN Entertainment, LLC dba Skyzone Queensbury and that I am duly authorized on behalf of the Operator to bind the Operator and to execute this Agreement.
2. That the Operator confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the Project is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

[Signature]
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury this 16th day of January, 2016.

[Signature]
(Notary Public)

Timothy J. Alden
Notary Public, State of New York
County of Saratoga No. 4735168
My Commission Expires 10/31/17

STATE OF NEW YORK)
COUNTY OF ~~WARREN~~) ss.:
Saratoga

Rusty R. Saunders, being first duly sworn, deposes and says:

1. That I am the ^a member (Corporate Office) of RAN Saunders Property Development, LLC and that I am duly authorized on behalf of the Company to bind the Company and to execute this Agreement.
2. That the Company confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the Project is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

Rusty R. Saunders
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 16th day of January, 2016.

T. J. Alden
(Notary Public)

Timothy J. Alden
Notary Public, State of New York
County of Saratoga No. 4735168
My Commission Expires 10/31/17

AGREEMENT FOR PAYMENTS IN LIEU OF TAXES

AGREEMENT FOR PAYMENTS IN LIEU OF TAXES (the “PILOT Agreement”), dated as of March 31, 2017, by and between the COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York having its principal place of business at 5 Warren Street, Glens Falls, New York 12801 (the “Agency”) and RAN SAUNDERS PROPERTY DEVELOPMENT, LLC (the “Company”), a New York limited liability company having an office for the transaction of business at 168 Reynolds Road, Fort Edward, New York 12828 (the “Company”).

RECITALS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “State”), as amended, and Section 890-c of the General Municipal Law of the State (collectively, the “Act”), the Agency was created and granted the authority to enter into agreements for the purpose of acquiring, constructing and equipping certain commercial facilities; and

WHEREAS, to advance the public purposes for which it was created, the Agency, upon application of the Company, has agreed to undertake a retail and tourism destination project (the “Project”) consisting of : (i) the acquisition of an interest in a certain commercial parcel or parcels of land located at 235 Corinth Road, Town of Queensbury, County of Warren, State of New York and referred to as Tax Map Parcel Number 309.13-2-28 (the “Land”); (ii) the construction and equipping of a 22,200+/- square foot facility to house a recreational trampoline park facility (the “Facility”); (iii) the acquisition and installation therein of certain furnishings and fixtures (the “Equipment” together with the Land and the Facility, collectively the “Project Facility”) to be used in connection with the contemplated uses; and (iv) the lease of the Project Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the “Act”), as amended; and

WHEREAS, the Agency has agreed to lease and the Company has agreed to rent the Project Facility pursuant to a lease agreement dated as of March 31, 2017 (the “Lease Agreement”); and

WHEREAS, the Agency will hold a leasehold interest to the Land and all improvements thereon until such time as it may convey its leasehold interest to the Project Facility pursuant to the Lease Agreement; and

WHEREAS, under Section 412-a of the Real Property Tax Law of the State and Section 874 of the General Municipal Law of the State, the Agency is exempt from the payment of taxes and assessments on any real property acquired by it or taken under its jurisdiction, supervision or control; and

WHEREAS, the Agency shall file, on or prior to March 1, 2018, a NYS Real Property Form 412-a with the assessor of the taxing jurisdiction, together with a copy of this PILOT Agreement; and

WHEREAS, Section 6.3 of the Lease Agreement provides that the Company will make certain payments in lieu of town, county, school district and other governmental taxes and charges; and

WHEREAS, in accordance with Section 874(4)(a) of the General Municipal Law of the State, the Agency has established a uniform tax exemption policy (the "Uniform Tax Exemption Policy").

NOW, THEREFORE, in partial consideration of the Agency undertaking the Project, the Company and Agency agree as follows:

AGREEMENT

SECTION 1. Definitions. Unless the context or use unambiguously indicates otherwise, all capitalized terms used herein shall have the meanings given to them in the Lease Agreement.

SECTION 2. Description of Property. This PILOT Agreement shall apply to the Land and Facility, as more particularly described within Schedule A hereto.

SECTION 3. Company Obligations.

(A) Throughout the period, a leasehold interest to the Land and the Facility is conveyed to the Agency, the Company shall pay to the Agency, in accordance with the terms of this agreement, certain taxes, assessments, rents and other governmental charges levied upon or against the Land and the improvements thereon (the "PILOT Payments"). In determining the amount of any PILOT Payment, such payment shall be calculated (1) as if title and interest to the Land is in the Company and not the Agency, (2) as if the improvements contemplated by the Plans and Specifications are completed on or before the Completion Date and (3) in accordance with the PILOT Payment Schedule as set forth in Schedule B hereto. Payments hereunder shall be made at such times and in such amounts as would be due were title to the Land and the improvements in the Company and not the Agency.

(B) In addition to the payments set forth in paragraph (A) of this Section 3, the Company shall be responsible for the payment to the Agency of all assessments, water/sewer rents and other governmental charges not included in Schedule B that would be levied upon or against the Land and the improvements thereon were title to them in the Company and not the Agency.

(C) If the lease of the Facility to the Agency remains in effect beyond the term allowed herein, the Company shall pay to the Agency all taxes that would have been levied on or against

the Facility were title to it in the Company and not the Agency. Payments hereunder shall be made at such times and in such amounts as would be due were title to the Facility in the Company and not the Agency.

(D) If any payments under paragraph (A) and (B) of this Section 3 are untimely, such payments shall be subject to late charges, costs, expenses and penalties in accordance with Section 874(5) and Section 874(6) of the General Municipal Law of the State, as amended.

SECTION 4. Sales Tax Exemption.

(A) The initial construction and equipping of the Facility shall be exempt from sales tax. The initial sales tax exemption period for the Facility shall expire at the end of the Construction Period, subject to extension by approval of the Agency. No sales tax exemption shall be granted to the Company for the operations of the Facility.

(B) The Agency and the Company agree that the sales tax exemption shall be provided in accordance with Section 875 of the General Municipal Law, as amended. The Agency shall keep records of the amount of State and local sales and use tax exemption benefits provided to this Project and Company and its subagents, shall make such records available to the Commissioner of Tax & Finance upon request.

SECTION 5. Mortgage Tax Exemption. All mortgages placed against the Facility shall be exempt from the payment of mortgage recording tax, as would otherwise be charged pursuant to the Tax Law of the State, as amended.

SECTION 6. Recapture of Benefits. All benefits derived hereunder, including mortgage tax exemptions, real property tax exemptions and sales tax exemptions, shall be subject to the Recapture of Benefits Policy of the Agency as acknowledged as of the date hereof and as set forth on Schedule C hereto.

SECTION 7. Distribution of Payments. The Agency shall distribute each payment hereunder among the tax districts within which the Facility is located in accordance with Section 858(15) of the General Municipal Law of the State, as amended.

SECTION 8. Event of Default. Failure of the Company to make any payment required hereunder shall constitute an Event of Default under the Lease Agreement.

SECTION 9. Remedies on Default.

(A) General. Whenever Default shall have occurred with respect to this Payment in Lieu of Tax Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to collect the

amount then in default or to enforce the performance and observance of the obligations, agreement and covenants of the Company under this Payment in Lieu Agreement.

(B) Cross-Default. In addition, Default hereunder shall constitute an event of default under Article X of the Lease Agreement. Upon occurrence of Default hereunder resulting from a failure of the company to make any payment required hereunder, the Agency shall have, as a remedy therefor under the Lease Agreement, among other remedies, the right to terminate the Lease Agreement, thus subjecting the Project Facility to immediate full taxation pursuant to Section 520 of the Real Property Tax Law of the State.

SECTION 10. Term of Agreement. The term of the PILOT Agreement shall be from the date leasehold interest to the Land is leased to the Agency by the Company by the Underlying Lease to the date the leasehold interest to the Land is conveyed by assignment to the Company (or any other Person) by the Agency pursuant to the provisions of the Lease Agreement. Until the leasehold interest in the Land and improvements is transferred into the Agency on the next ensuing taxable status date, the Company shall be liable for all real property taxes levied on, or which could be levied on, the Land and improvements based on the assessment roll in effect on the date of the Underlying Lease from the Company to the Agency. The Company shall be liable for all real property taxes levied on, or which could be levied on, the Land and improvements from the date of conveyance from the Agency to the Company pursuant to the provisions of Section 520 of the Tax Law of the State.

SECTION 11. Grievance Procedure.

(A) The Agency hereby assigns to the Company all of the Agency's rights under the Real Property Tax Law of the State to contest any assessment on or real property tax levied against the Land and the Facility. Should the Company commence any real property assessment review proceeding under this Section 11, the Company shall have the right to prosecute such action or administrative adjudication in the name of the Agency. If the Company shall prevail in such proceeding, the Agency shall pass through to the Company any refunds of payments in lieu of taxes the Agency receives from the taxing jurisdictions based upon the final order or judgment of the court or Governmental Authority reviewing the assessment or tax.

(B) The rights assigned in paragraph (A) of this Section 11 are subject to those rights and obligations created by the Lease Agreement.

SECTION 12. Assignment of Company Obligations. The obligations of the Company under the PILOT Agreement may not be assigned in whole or in part to any other Person without the prior written consent of the Agency.

SECTION 13. Merger of Agency.

(A) Nothing contained in the PILOT Agreement shall prevent the consolidation of the Agency with, or merger of the Agency into or assignment by the Agency of its rights and

interests hereunder to any other body corporate and politic and public instrumentality of the State or political subdivision thereof which has the legal authority to perform the obligations of the Agency hereunder, provided that upon any such consolidation, merger or assignment, the due and punctual performance and observance of all the agreements and conditions of the PILOT Agreement and the Lease Agreement to be kept and performed by the Agency shall be expressly assumed in writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Agency's rights and interests hereunder shall be assigned.

(B) As of the date of any such consolidation, merger or assignment, the Agency shall give notice thereof in reasonable detail to the Company. Pursuant to Section 9.2 of the Lease Agreement, the Agency shall promptly furnish to the Company such additional information with respect to any such consolidation, merger or assignment as the Company reasonably may request.

SECTION 14. Uniform Tax Exemption Policy. This PILOT Agreement and its provisions are in compliance with the Agency's Uniform Tax Exemption Policy.

SECTION 15. Counterparts. This PILOT Agreement may be executed in several counterparts each of which shall be an original and all of which shall constitute but one instrument.

SECTION 16. Applicable Law. This PILOT Agreement shall be governed exclusively by the applicable laws of the State of New York.

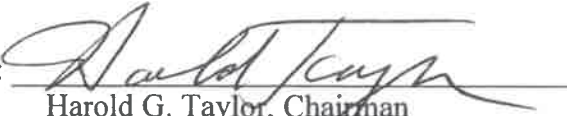
SECTION 17. Section Headings. The section headings of this PILOT Agreement have been prepared for convenience only and shall not affect the meaning of any provision of this PILOT Agreement.

[Remainder of Page Intentionally Left Blank]

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Agency and the Company have caused this PILOT Agreement to be executed by their Authorized Representatives as of the date first above written.

COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY

BY: 
Harold G. Taylor, Chairman

RAN SAUNDERS PROPERTY
DEVELOPMENT, LLC

BY: 
Rusty R. Saunders, Authorized Member

STATE OF NEW YORK)
) ss.:
COUNTY OF WARREN)

On the 30th day of March in the year 2017, before me, the undersigned, personally appeared **Harold G. Taylor**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

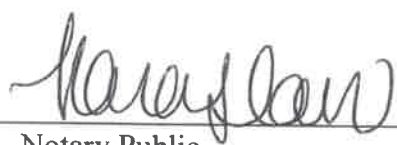


Notary Public

KARA I. LAISS
Notary Public, State of New York
Saratoga Co. #02LA6105701
Commission Expires Feb. 17, 2020

STATE OF NEW YORK)
) ss.:
COUNTY OF WARREN)

On the 31st day of March in the year 2017, before me, the undersigned, personally appeared **Rusty R. Saunders**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

KARA I. LAISS
Notary Public, State of New York
Saratoga Co. #02LA6105701
Commission Expires Feb. 17, 2020

SCHEDULE A
(PROPERTY DESCRIPTION & SOURCE OF TITLE)

SCHEDULE A

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, situate in the Town of Queensbury, County of Warren and State of New York, more particularly bounded and described as follows:

BEGINNING at a capped iron rod set in the ground for a corner on the southerly bounds of Corinth Road, said point being the northwesterly corner of lands as conveyed to Kiryas Vayoel Moshe, Inc. by deed book 4817 at page 43; thence running in a southerly direction along the westerly bounds of said lands of Kiryas Vayoel Moshe, Inc. by deed book 4817 at page 43, South 08 degrees, 54 minutes and 55 seconds East, a distance of 754.18 feet to an iron rod found in the ground for a corner, said point marking the northeasterly corner of the lands now or formerly of NCWPCS Tower Newco LLC by deed book 4969 at page 34; thence running in a westerly direction along the northerly bounds of the lands of NCWPCS Tower Newco LLC by deed book 4969 at page 34, South 80 degrees, 47 minutes and 05 seconds West, a distance of 168.00 feet to a point marking the northwesterly corner of the lands of said NCWPCS Tower Newco LLC; thence continuing South 80 degrees, 47 minutes and 05 seconds West, through the lands of NDC Realty LLC by deed book 5046 at page 206, 55.00 feet to a capped iron rod set in the ground for a corner; thence running in a northerly direction through the lands of NDC Realty LLC by deed book 5046 at page 206, North 08 degrees, 54 minutes and 55 seconds West, a distance of 754.18 feet to a capped iron rod set in the southerly bounds of Corinth Road; thence running in an easterly direction along the southerly bounds of Corinth Road, North 80 degrees, 47 minutes and 05 seconds East, a distance of 223.00 feet to the place and point of beginning, containing 3.86 acres of land to be the same more or less.

SOURCE OF TITLE

Being the same premises described in a deed from NDC Realty, LLC to RAN Saunders Property Development, LLC dated September 21, 2016 and recorded in the Warren County Clerk's Office on September 22, 2016 at Page 5426 of Deeds at Page 303.

SCHEDULE B

PILOT PAYMENT SCHEDULE

During the term of this PILOT Agreement, the Company shall make payments equal to a percentage of the taxes which would have been due to the relevant taxing entities based on the total assessed value of the Land and the Facility, as follows:

- (a) One hundred percent (100%) of the taxes due on the land and existing structures and improvements;
- (b) 50% exemption on new construction for a period of five (5) years; 25% exemption for the next five (5) years; then payment of 100% of the taxes due beginning in year 11.

ABATEMENT SCHEDULE

Pilot Year	Assessment Year	Percentage of Abatement on New Facility
Year 1	2018	50% abatement on new construction
Year 2	2019	50% abatement on new construction
Year 3	2020	50% abatement on new construction
Year 4	2021	50% abatement on new construction
Year 5	2022	50% abatement on new construction
Year 6	2023	25% abatement on new construction
Year 7	2024	25% abatement on new construction
Year 8	2025	25% abatement on new construction
Year 9	2026	25% abatement on new construction
Year 10	2027	25% abatement on new construction
Year 10	2028	25% abatement on new construction

SCHEDULE C

RECAPTURE POLICY (Adopted July 18, 2016)

Section 1. Reasons for the recapture of benefits (Financial Assistance) include the following:

- a. Sale or closure of the facility and departure of the company from the Counties of Warren or Washington (Notwithstanding any of the terms set forth herein, this occurrence shall result in the immediate termination of Financial Assistance).
- b. Significant change in the use of the facility and/or the business activities of the company.
- c. Significant employment reductions not reflective of the company's (normal) business cycle and/or local and national economic conditions.
- d. Failure to comply with any periodic and/or annual reporting requirements of the Agency, State or Federal governmental agency.
- e. Failure to meet or comply with the Material Terms, as determined by the Agency at the time of the acceptance of the project for Financial Assistance and as set forth in the Inducement Resolution, Amended and Restated Preliminary Agreement.

These “Material Terms” as defined for the particular project will be utilized by the Agency in setting and monitoring project benchmarks during the term of the incentives for the purposes of administering the Agency’s recapture policy.

For certain numerical “Material Terms” such as job creation/retention or investment amount an achievement factor of 80% will constitute compliance. For non-numeric “Material Terms” such as redevelopment of an old structure for a new purpose or location on a Brown Field site, a determination of compliance will be made upon completion of the project.

It is understood that these “Material Terms” may vary depending on project type and project specifics, and may be selected from the criteria set forth in the foregoing Section A, 2 Impact on Local Economy in the Policy Manual of the Agency.

- f. For a project that failed to comply with a significant term or condition to use property or services in the manner required by any and all provisions of the agreements that the company has entered into with the Agency.

Section 2. For companies receiving real property tax abatements the recapture of benefits schedule (applicable to the real property tax abatements) is as follows:

Years 1-5	100% of the tax exemptions granted shall be repaid to the affected taxing jurisdictions, unless agreed to otherwise, in writing, by the applicable taxing jurisdiction
Years 6-7	75% of the tax exemptions granted shall be repaid to the affected taxing jurisdictions, unless agreed to otherwise, in writing, by the applicable taxing jurisdiction
Years 8-9	50% of the tax exemptions granted shall be repaid to the affected taxing jurisdictions, unless agreed to otherwise, in writing, by the applicable taxing jurisdiction
Year 10	25% of the tax exemptions granted shall be repaid to the affected taxing jurisdictions, unless agreed to otherwise, in writing, by the applicable taxing jurisdiction
Years 11+	0% of the tax exemptions granted shall be repaid to the affected taxing jurisdictions.

The time period above is from the effective date of the PILOT Agreement.

In the case of real property taxes, any amounts recovered, recaptured, received or otherwise obtained shall be payable to the appropriate taxing jurisdictions, unless otherwise agreed to in writing by the taxing jurisdiction.

Section 3. In addition to the above reasons for recapture, the Agency shall recover, recapture, receive or otherwise obtain from the company, or its subagents, sales tax benefits that were taken or purported to be taken which are:

- a. In excess of the amounts authorized; or
- b. For property or services not authorized; or
- c. For a project that failed to comply with a significant term or condition to use property or services in the manner required by any and all provisions of the agreements that the company has entered into with the Agency.

For purposes of this Recapture Policy, the Company and its subagents shall cooperate with the Agency in its efforts to recover, recapture, receive or otherwise obtain such State sales and use benefit exemptions and shall promptly pay over such amount to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of Taxation and Finance to assess and determine State sales and use taxes due from the Company

under Article 28 of the New York State Tax Law, together with any penalties and interest due on such amounts.

In the event that the Agency recovers, recaptures, receives or otherwise obtains any amount of State sales and use tax exemption benefits from the Company or its agents, the Agency shall, within thirty (30) days of coming into possession of such amount, remit it to the Commissioner of Taxation and Finance, together with such other information and report that the Commissioner deems necessary to administer payment over such amount.

Section 4.

In the event that the Agency determines that there exists a basis for recapture as set forth in Section 1 herein, the Agency shall notify the company, in writing, that the Agency has determined that a basis for recapture exists. The company shall be given a reasonable timeframe within which to remedy the violation, such timeframe being commensurate to the violation, and the company shall provide additional information and/or an explanation as to why the violation has occurred or the Material Term has not been achieved, as the case may be. If requested by the Agency, the company shall make a presentation to the Agency concerning this default.

Thereafter the Agency may determination pursuant to this Recapture Policy. Imposition of any recapture is at the sole discretion of the Agency and is reviewed/considered on a case by case basis. In lieu of imposing the above recapture penalties and for good cause shown by the company, the Agency, at its sole discretion, may make a determination to discontinue the Financial Assistance in its entirety, per the provisions set forth the in the Lease Agreement; or suspend the Financial Assistance for a specific stated period of time in order for the company to correct or comply with the Material Term being breached; or, in the case of real property taxes exemptions, modify the PILOT Agreement to decrease the exemption and increase the payments due for the remaining term of the PILOT Agreement.