

CORPORATION PROJECT LEASE AGREEMENT

Dated as of April 1, 2025

by and between

COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY,

as lessor

and

SCHREINER REAL ESTATE INC.

as lessee

RELATING TO THE FOLLOWING PROJECT

Schreiner Group Facility

IDA PROJECT NUMBER: 3901-25-01A

Affecting the Premises in the Village of Chestnut Ridge in the Town of Ramapo, County of Rockland, State of New York as more particularly described in Appendix A to this Lease Agreement and located at 6 Ram Ridge Road, Chestnut Ridge, New York

Tax Description

63.17-1-8

Record and Return to:
Hawkins Delafield & Wood LLP
140 Broadway, 42nd Floor
New York, New York 10005
Attn: Daniel Birmingham

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THIS CORPORATION PROJECT LEASE AGREEMENT, dated as of April 1, 2025, is by and between the **COUNTY OF ROCKLAND INDUSTRIAL DEVELOPMENT AGENCY**, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, duly organized and existing under the laws of the State of New York (the “Agency”), having its principal office at 254 South Main Street, Suite 410, New City, New York 10956, and **SCHREINER REAL ESTATE INC.** a corporation organized and existing under and by virtue of the laws of the State of New York (the “Corporation”), having its principal office at 300 Corporate Drive, Suite 10, Blauvelt, New York 10913 (the “Corporation Project Lease”).

WITNESSETH:

WHEREAS, the New York State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law of the State of New York, as amended (the “Enabling Act”), authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York and empowers such agencies to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish one or more projects for the purpose of promoting, developing, encouraging and assisting in the acquisition, construction, reconstruction, improvement, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, thereby advancing the job opportunities, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the Agency was established by Chapter 564 of the 1980 Laws of New York (together with the Enabling Act, the “Act”), for the benefit of the County of Rockland (the “County”) and the inhabitants thereof; and

WHEREAS, to accomplish the purposes of the Act, the Agency has entered into negotiations with the Corporation and Schreiner Group LP, a limited partnership organized and existing under and by virtue of the laws of the State of Delaware (“Schreiner”) for a “project” within the meaning of the Act (the “Project”) within the territorial boundaries of the County of Rockland and located on that certain lot, piece or parcel of land, owned by the Corporation and generally known as and by the street address 6 Ram Ridge Road, Chestnut Ridge, in the Town of Ramapo, Rockland County, New York and otherwise described in Appendix A attached hereto and made a part hereof; and

WHEREAS, the Project will consist of the acquisition, construction and equipping by the Corporation of a building and site to be leased by the Corporation to Schreiner, and for Schreiner to further equip and build out interior space for Schreiner’s production of smart high-tech labels, multifunctional specialty labels and self-adhesive marking solutions and film-based functional parts, to be located at the Premises (as defined herein); and

WHEREAS, to facilitate the Project, the Agency, the Corporation and Schreiner have agreed to consider entering into a “straight-lease transaction” within the meaning of the Act pursuant to which (i) the Corporation, as lessor, will lease its interest in the Premises to the Agency, as lessee, and the Agency, as lessor, will sublease said interests back to the Corporation,

as sublessee, with respect to the realty portion of the Project (the “Realty Portion”), (ii) the Corporation will sublease the Premises to Schreiner (the “Corporation/Schreiner Lease”), and (iii) Schreiner, as lessor, will lease its interests in the Premises to the Agency, as lessee, and the Agency, as lessor, will sublease said leasehold interests back to Schreiner, as sublessee, with respect to the equipping and building out of certain interior portions of the Project (the “Schreiner Portion”). The Agency will appoint the Corporation and Schreiner as agents of the Agency for purposes of developing the Realty Portion and Schreiner Portion, respectively. In furtherance of such purposes, on March 20, 2025, the Agency adopted a resolution authorizing the Corporation and Schreiner to proceed with the Project; and

WHEREAS, on February 23, 2025, the Agency published a notice of public hearing for the Project in *The Journal News*, and held such public hearing on March 5, 2025 at the Town of Ramapo Town Hall, 237 Route 59, Suffern, NY 10901; and

WHEREAS, based on an application submitted to the Agency by the Corporation and Schreiner (the “Application”) and the information submitted to the Agency in a Phase I Environmental Site Assessment prepared by CBRE and submitted to the Agency in connection with the Application, as well as the familiarity of the members of the Agency with the proposed Project site and the nature of the Project, the Agency has determined that (i) the proposed Project will be of a nature and composition similar to those previously sited on the Premises; (ii) there are existing utilities that are expected to be adequate to serve the proposed Project, and (iii) the Project operations will be such that it is expected to generate limited additional traffic, noise or similar environmental stressors due to operation of the Project. Based on the foregoing the Agency has heretofore determined that the actions of the Agency in granting financial assistance for the Project will have no significant adverse environmental impacts or effects; and

WHEREAS, on March 20, 2025, the Agency adopted a resolution (the “Authorizing Resolution”) authorizing the undertaking of the Project set forth in these introductory clauses; and

WHEREAS, concurrently with the execution of this Corporation Project Lease, the Agency and the Corporation will enter into a Corporation Lease Agreement (the “Corporation Lease”) pursuant to which the Corporation will lease the Premises to the Agency; and

WHEREAS, the provision by the Agency of Financial Assistance to the Corporation and Schreiner through a straight-lease transaction has been determined to be (1) a primary consideration of the Corporation and Schreiner in their determination to locate and develop the Project within the County and (2) essential to allowing the Project to move forward in the County; and

WHEREAS, in order to finance a portion of the costs of the Project, various lenders (together with their respective successors and/or assigns, collectively, the “Lenders”) have agreed to lend funds to the Corporation, Schreiner and/or related entities in order to finance a portion of the costs of the Project; and

WHEREAS, in order to evidence its obligation to repay such loans made by the Lenders to it (the "Mortgage Loans"), the Corporation, Schreiner and/or related entities will issue to the Lenders promissory notes (as the same may be amended, modified, extended, renewed, consolidated, restated, refinanced or replaced from time to time , collectively, the "Mortgage Notes") in the principal amount of the respective Mortgage Loans; and

WHEREAS, in order to secure its obligations to the Lenders under the respective Mortgage Notes, the Corporation, Schreiner and/or related entities and the Agency will grant various mortgages on their respective property interests in the Project to the Lenders (as the same may be amended, modified, extended, renewed, consolidated, restated, refinanced or replaced from time to time , collectively, the "Mortgages", and individually a "Mortgage"); and

WHEREAS, this Corporation Project Lease shall constitute the uniform agency project agreement required under Paragraph 6 of Section 859-a of the Act;

NOW, THEREFORE, in consideration of the premises and the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Agency herein contained, any obligation it may incur for the payment of money shall not create a debt of the State or of the County, and neither the State nor the County shall be liable on any obligation so incurred, but any such obligation shall be payable solely out of the lease rentals, revenues and receipts derived from or in connection with the Project, including moneys received under this Agreement):

ARTICLE I

DEFINITIONS AND REPRESENTATIONS

Section 1.1 Definitions. The following terms shall have the following meanings in this Agreement:

“Act” shall mean the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 564 of the 1980 Laws of New York, as amended.

“Additional Rent” shall mean any additional rental payments described in Section 3.3(b) and (c) of this Agreement.

“Affiliate” means, with respect to a Person, a Person which directly or indirectly through one or more intermediaries controls, or is under common control with, or is controlled by, such Person. The term “control” (including the related terms “controlled by” and “under common control with”) means the power to direct or cause the direction of the management and policies of a Person either: (i) through the possession, directly or indirectly, of the ownership of voting securities, by contract or otherwise, (ii) through the right to designate a majority of the members of its board of directors, trustees or other governing body, or (iii) by contract or otherwise.

“Agency” shall mean the County of Rockland Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State, duly organized and existing under the laws of the State, and any body, board, authority, agency or other governmental agency or instrumentality which shall hereafter succeed to the powers, duties, obligations and functions thereof.

“Annual Administrative Fee” shall mean that annual administrative fee set forth in Section 3.3(b) of this Corporation Project Lease and such replacement administrative fee as may be established from time to time by the Agency as generally applicable to entities receiving or that have received Financial Assistance.

“Applicant” shall mean each of the Corporation and Schreiner, each of which have submitted the application for financial assistance to the Agency with respect to the Project, and such additional individuals or entities that comprise the Corporation and Schreiner or other such individuals or entities that are intended beneficiaries of the proposed financial assistance.

“Assessor” shall mean the tax assessor of the Town of Ramapo.

“Authorized Representative” shall mean (i) in the case of the Agency, the Chairman, Vice Chairman, Secretary or Executive Director of the Agency or any officer or employee of the Agency authorized to perform specific acts or to discharge specific duties hereunder and of whom another Authorized Representative of the Agency has given written notice to the Corporation, and (ii) in the case of the Corporation, any officers or employees of the Corporation authorized to perform specific acts or to discharge specific duties hereunder and of

whom another Authorized Representative of the Corporation has given written notice to the Agency.

“Authorizing Resolution” shall mean the resolution of the Agency adopted on March 20, 2025 authorizing the Project and the Straight-Lease Transaction.

“Base Rent” shall mean the rental payment described in Section 3.3(a) of this Corporation Project Lease.

“Business Day” shall mean any day which shall not be a Saturday, Sunday, legal holiday or a day on which banking institutions in the County are authorized by law or executive order to close.

“Commencement Date” shall mean the date on which the leasehold title to the Premises was transferred to the Agency pursuant to the Corporation Lease and subleased to the Corporation pursuant to this Corporation Project Lease.

“Corporation Lease” shall mean the Corporation Lease Agreement, dated as of April 1, 2025, between the Corporation, as lessor, and the Agency, as lessee.

“Corporation/Schreiner Lease” shall mean the Corporation/Schreiner Lease Agreement, dated as of April 1, 2025, between the Corporation, as lessor, and Schreiner, as lessee.

“Corporation Project Lease” shall mean this Corporation Project Lease Agreement (including the Exhibits attached hereto), dated as of April 1, 2025, between the Agency, as lessor and the Corporation, as lessee, and shall include any and all amendments and supplements hereto hereafter made in conformity herewith.

“County” shall mean the County of Rockland in the State.

“Environmental Indemnity Agreement” shall mean the Environmental Indemnity Agreement, dated as of April 1, 2025, from the Corporation and Schreiner to the Agency, a copy of which is attached hereto as Appendix B.

“Event of Default” or “Default” shall mean any of those events defined as Events of Default by Section 7.1 of this Corporation Project Lease.

“Exempt Property” shall mean machinery, equipment, hardware, software, appliances, furnishing, fixtures, materials, goods, supplies and other tangible personal property conveyed to or acquired (either by purchase, lease or otherwise) by the Corporation, as agent of the Agency, in connection with the Project on or before the date of completion of the Project or any Additional Agent (as defined in accordance with Section 2.1(d)) for incorporation in the Project or for use in connection with the Project.

“Financial Assistance” shall have the meaning assigned to that term in the Act and which financial assistance has been approved by the Agency for the Project.

“Improvements” shall mean all of those buildings, improvements, structures and related facilities, including accessions thereto and replacements thereof owned by the Corporation or Schreiner and constituting part of the Project.

“Inducement Resolution” shall mean the resolution of the Agency adopted on February 22, 2024 authorizing the Corporation to proceed with the Project.

“Lender” shall have the meaning set forth in the introductory clauses.

“Loss Event” shall have the meaning specified in Section 5.1(a).

“Mortgage” shall mean one or more mortgages from the Agency, the Corporation and/or Schreiner to a Lender, to be recorded in the Rockland County Clerk’s office contemporaneously with, or subsequent to, the date hereof, securing construction or permanent financing for the Project, as the same may be amended, modified, extended, renewed, consolidated, restated, refinanced or replaced from time to time.

“Mortgage Recording Tax Savings” shall mean those Mortgage Recording Taxes from which the Corporation is exempt by virtue of the Agency’s interest in the Project.

“Mortgage Recording Taxes” shall mean those taxes imposed by the County and the State upon the recording of mortgages against real property in the County.

“Net Proceeds” shall mean, when used with respect to any insurance proceeds or condemnation award, compensation or damages, the gross amount from any such proceeds, award, compensation or damages less all expenses (including attorneys’ fees and any extraordinary expenses of the Agency or the Lenders) incurred in the collection thereof.

“Notice of Public Hearing” shall mean the notice of public hearing for the Project referred to in the introductory clauses of this Corporation Project Lease.

“Occupancy Date” shall mean the date on which the permanent certificate of occupancy (or temporary certificate of occupancy, if one is issued earlier) for the Project is issued.

“Permitted Encumbrances” shall mean:

- (i) this Corporation Project Lease, the Corporation Lease, the PILOT Agreement, the Corporation/Schreiner Lease, any Mortgage and any regulatory agreement, declaration of restrictive covenants, and any amendment, modification, extension, renewal, consolidation, restatement, refinancing or replacement of any of the foregoing;
- (ii) liens for real estate taxes, assessments, levies and other governmental charges, the payment of which is not yet due and payable;

(iii) any mechanic's, workmen's, repairmen's, materialmen's, contractors', carriers', suppliers' or vendors' Lien or right in respect thereof if payment is not yet due and payable, all if and to the extent permitted by Section 6.4;

(iv) any lien, security interest, encumbrance or charge, or any conditional sale or other title retention agreement, that any vendor of Project property or any contractor hired to perform Project Work may place on or with respect to the Project or any part thereof;

(v) utility, access and other easements and rights-of-way, restrictions and exceptions that will not materially interfere with or materially impair the Corporation's or a tenant's use and enjoyment of the Project as herein provided;

(vi) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to property similar in character to the Project as do not, either singly or in the aggregate, materially impair the property affected thereby for the purpose for which it was leased by the Agency hereunder or purport to impose liabilities or obligations on the Agency; and

(vii) those exceptions to title to the Project enumerated in the title insurance policy derived pursuant to Section 2.9.

"Permitted Transferee" shall mean an Affiliate of the Corporation or Schreiner.

"Person" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization, a governmental body or a political subdivision, a municipality, a municipal authority or any other group or organization of individuals.

"PILOT" shall mean payments in lieu of taxes.

"PILOT Agreement" shall mean the Payment in Lieu of Taxes Agreement, to be entered into at such time as it has been approved, executed and delivered by the Corporation, the Agency, and some or all of the County, the Town, the Village, and the School District, as the same may be amended from time to time. A copy of the PILOT Agreement shall be deemed to be attached hereto as Appendix C at such time as it has been executed and delivered by all parties thereto.

"Premises" shall mean (1) that certain lot, piece or parcel of land generally known by the street address 6 Ram Ridge Road, Chestnut Ridge and more particularly described in Exhibit A annexed hereto (the "Land"), (2) all existing and future buildings, fixtures and other improvements located on the Land (the "Improvements"), (3) the Corporation's right, title and interest in any strips or gores of land adjoining the Land, (4) the Corporation's right, title and interest in any land lying in the bed of any street or avenue abutting the Land, to the centerline thereof, (5) a non-exclusive right to use any easements or other rights in adjoining property inuring to the Corporation by reason of the Corporation's ownership of the Land, and (6) any and all easements, rights and interests now or hereafter appurtenant or beneficial thereto; but excluding, however, any real property or interest therein released pursuant to Section 6.4.

“Prohibited Person” shall mean (i) any Person (A) that is in default or in breach, beyond any applicable grace period, of its obligations under any written agreement with the Agency or the County, or (B) that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations under any written agreement with the Agency or the County, unless such default or breach has been waived in writing by the Agency or the County, as the case may be, and (ii) any Person (A) that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or (B) that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

“Project” shall mean the acquisition, construction and equipping of a building and site for the production of smart high-tech labels, multifunctional specialty labels and self-adhesive marking solutions and film-based functional parts, to be located at the Premises. The Project comprises the Realty Portion (to be provided by the Corporation) and the Schreiner Portion (to be provided by Schreiner).

“Project Completion Date” means the date on which the Project Work is completed, as evidenced by the issuance of a temporary certificate of occupancy.

“Project Work” shall mean the work required to complete the construction, renovation and/or equipping of the Realty Portion.

“Project Documents” shall mean the agreements listed in Appendix F.

“Property” shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Realty Portion” shall mean that portion of the Project to be performed by the Corporation, as lessor under this Corporation Project Lease, generally comprising acquisition of the Premises and existing improvements thereon, and construction of additional improvements and acquisition and installation of equipment.

“Rental Payments” shall mean Base Rent and Additional Rent.

“Sales Taxes” shall mean any tax(es) imposed by Article 28 of the New York Tax Law, as the same may be amended from time to time.

“Sales Tax Exemption Agreement” shall mean the Sales Tax Exemption Agreement, dated as of April 1, 2025, between the Agency and the Corporation.

“School District” shall mean East Ramapo Central School District, New York.

“Schreiner Portion” shall mean that portion of the Project to be performed by Schreiner generally comprising of a portion of the interior buildout and acquisition and installation of equipment.

“State” shall mean the State of New York.

“Straight-Lease Transaction” shall have the meaning assigned to that term in the Act.

“Town” shall mean the Town of Ramapo, New York.

“Uniform Project Evaluation Criteria” shall mean those uniform project evaluation criteria established by the Agency pursuant to the Act, as such criteria may be amended from time to time.

“Village” shall mean the Village of Chestnut Ridge, New York.

Section 1.2 Construction. In this Corporation Project Lease, unless the context otherwise requires:

(a) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this Corporation Project Lease, refer to this Corporation Project Lease, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of the execution and delivery of this Corporation Project Lease.

(b) Words of the masculine gender shall mean and include correlative words of the feminine and other genders and words importing the singular number shall mean and include the plural number and vice versa.

(c) Any headings preceding the texts of the several Articles and Sections of this Corporation Project Lease, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Corporation Project Lease, nor shall they affect its meaning, construction or effect.

Section 1.3 Representations and Warranties by Agency. The Agency represents and warrants as follows:

(a) the Agency is a corporate governmental agency constituting a body corporate and politic and a public benefit corporation duly organized and existing under the laws of the State,

(b) assuming the accuracy of the representations made by the Corporation, the Agency is authorized and empowered to enter into the transactions contemplated by this Corporation Project Lease and any other Project Documents to which the Agency is a party and to carry out its obligations hereunder and thereunder and

(c) by proper action of its board of directors, the Agency has duly authorized the execution and delivery of this Corporation Project Lease and such other Project Documents to which the Agency is a party.

Section 1.4 Findings by Agency. The Agency, based upon the representations and warranties of the Corporation contained in this Corporation Project Lease and the information contained in the Application and other materials heretofore submitted by or on behalf of the Corporation and Schreiner to the Agency, hereby affirms its findings and determinations set forth in the Authorizing Resolution, and further finds and determines, that:

(a) the providing of Financial Assistance through the Straight-Lease Transaction contemplated by this Corporation Project Lease is necessary to induce the Corporation to proceed with the Realty Portion;

(b) the transactions contemplated by this Corporation Project Lease shall not result in the removal of any project or plant of the Corporation or any other occupant or user of the Project from one area of the State (but outside of the County) to within the County or in the abandonment of one or more facilities or plants of the Corporation or any other occupant or user of the Project located within the State (but outside of the County);

(c) the transactions contemplated by this Corporation Project Lease shall not provide Financial Assistance in respect of any project where facilities or property that are primarily used in making retail sales (within the meaning of the Act) of goods or services to customers who personally visit such facilities constitute more than one-third of the total project costs;

(d) undertaking the Realty Portion will serve the public purposes of the Act by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the County; and

(e) no funds of the Agency shall be used in connection with the transactions contemplated by this Corporation Project Lease for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promoting materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given hereunder to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State.

Section 1.5 Representations and Warranties by the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a corporation duly organized, validly existing under the laws of the State, is not in violation of any provision of its certificate of incorporation, and has the power and authority to own its property and assets, to carry on its business as now being conducted by it and to execute, deliver and perform this Corporation Project Lease and each other Project Document.

(b) The Corporation is duly qualified to do business in every jurisdiction in which qualification is necessary.

(c) The execution, delivery and performance of this Corporation Project Lease and each other Project Document and the consummation of the transactions herein contemplated have been duly authorized by all requisite governing body action on the part of the Corporation and will not violate to its knowledge any provision of law, any order of any court or agency of government, or the by-laws of the Corporation, or any indenture, agreement or other instrument to which the Corporation is a party or by which it or any of its property is subject to or bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances.

(d) There is no action or proceeding pending or, to the Corporation's best knowledge, threatened against the Corporation by or before any court or administrative agency that is likely to adversely affect the ability of the Corporation to timely and promptly perform its obligations under this Corporation Project Lease and each other Project Document to which it is a party and all authorizations, consents and approvals of governmental bodies or agencies required to be obtained by the Corporation as of the date hereof in connection with the execution and delivery of this Corporation Project Lease and each other Project Document or in connection with the performance of the obligations of the Corporation hereunder and under each of the Project Documents have been obtained.

(e) The Realty Portion will constitute a "project" under the Act, and the Corporation intends to operate the Project, or cause the Project to be operated, in accordance with this Corporation Project Lease and as a qualified "project" in accordance with and as defined in the Act.

(f) The Financial Assistance provided by the Agency to the Corporation through the Straight-Lease Transaction as contemplated by this Corporation Project Lease is necessary to induce the Corporation to proceed with the Project.

(g) The transactions contemplated by this Corporation Project Lease shall not result in the removal of any project or plant of the Corporation or any other occupant or user of the Project from one area of the State (but outside of the County) to within the County or in the abandonment of one or more facilities or plants of the Corporation or any other occupant or user of the Project located within the State (but outside of the County).

(h) The transactions contemplated by this Corporation Project Lease shall not provide Financial Assistance in respect of any project where facilities or property that are primarily used in making retail sales (within the meaning of the Act) of goods or services to customers who personally visit such facilities constitute more than one-third of the total project costs.

(i) Undertaking the Project will serve the public purposes of the Act by creating or preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the State.

(j) No funds of the Agency shall be used in connection with the transactions contemplated by this Corporation Project Lease for the purpose of preventing the establishment

of an industrial or manufacturing plant or for the purpose of advertising or promoting materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given hereunder to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State.

(k) This Corporation Project Lease and the other Project Documents to which the Corporation is a party constitute the legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms.

(l) The Realty Portion has been designed, and the operation of the Realty Portion will be, in compliance with all applicable Federal, State and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and the environment.

(m) The Corporation intends that the acquisition, construction, equipping and operation of the Project will (i) provide skilled and unskilled construction jobs during the period of the Project construction, (ii) create jobs relating to the operation of the Project, and, (iii) ensure the continued presence of the Corporation in the County.

(n) Neither the Corporation nor any Affiliate of the Corporation is a Prohibited Person.

(o) Except as permitted by Section 9.2, no Person other than the Corporation and Schreiner or an Affiliate of either of them is or will be in use, occupancy or possession of any portion of the Project.

ARTICLE II

THE PROJECT

Section 2.1 The Corporation Lease.

(a) Pursuant to the Corporation Lease, the Corporation has leased to the Agency its interests in the Premises, and all rights or interests therein or appertaining thereto, together with all Improvements existing thereon or therein as of the date thereof, free and clear of all liens, claims, charges, encumbrances, security interests and servitudes other than Permitted Encumbrances.

(b) A valid leasehold interest in all Improvements incorporated or installed in the Premises as part of the Realty Portion shall vest in the Agency immediately upon delivery to or installation or incorporation into the Realty Portion or payment therefor, whichever shall occur first.

(c) The Corporation shall take all action necessary to so vest a valid leasehold interest in such Improvements in the Agency and to protect such leasehold interest and title claims against claims of any third parties.

(d) All Exempt Property shall become subject to the terms of the Corporation Lease immediately upon installation or incorporation into the Realty Portion.

Section 2.2 Appointment of Corporation as Agent.

(a) The Agency hereby appoints the Corporation its true and lawful agent, and the Corporation hereby accepts such agency, solely for purposes of undertaking the Realty Portion, including, without limitation:

(i) acquiring the Premises and acquiring, constructing, installing and equipping the Improvements and the Exempt Property thereon or therein;

(ii) making, executing, acknowledging and delivering any contracts, orders, receipts, writings and instructions with any other Persons (subject in each case to Section 2.4), and in general doing all things which may be requisite or proper, all for the purposes of undertaking the Realty Portion with the same powers and with the same validity and effect as the Agency could do if acting in its own behalf;

(iii) paying all reasonable and documented fees, costs and expenses incurred in the acquisition and construction of the Realty Portion from funds made available therefor either by the Corporation in accordance with or as contemplated by this Corporation Project Lease; and

(iv) asking, demanding, suing for, levying, recovering and receiving all such sums of money, debts due and other demands whatsoever which may be due, owing and payable to the Agency under the terms of any contract, order, receipt or writing in connection with the Project and to enforce the provisions of any contract, agreement,

obligation, bond or other performance security entered into or obtained in connection with the Project.

Section 2.3 Payment of Project Costs. The cost of the Realty Portion shall be financed by, and shall be the sole responsibility of, the Corporation. In the event that moneys of the Corporation are not sufficient to pay the costs necessary to complete the Realty Portion in full, in no event shall the Agency be liable therefor, and Corporation shall not be entitled to any reimbursement therefor from the Agency, nor shall the Corporation be entitled to any diminution of the Rental Payments or other payments to be made under this Corporation Project Lease. The Corporation shall pay (i) all of the reasonable and documented costs and expenses in connection with the preparation of any instruments of conveyance, the delivery thereof and of any instruments and documents relating thereto and the filing and recording of any such instruments of conveyance or other instruments or documents, if required, (ii) all taxes and charges payable in connection with the conveyance and transfer, or attributable to periods prior to the conveyance and transfer, to the Agency as set forth in Section 2.1, and (iii) all shipping and delivery charges and other reasonable and documented expenses or claims incurred in connection with the Realty Portion.

Section 2.4 Governmental Approvals. The Corporation represents, warrants, covenants and agrees that it will obtain or cause to be obtained all necessary approvals from any and all governmental agencies requisite to the Realty Portion and the construction, use and operation of the Realty Portion, all of which will be done in material compliance with all Federal, State and local laws, ordinances and regulations applicable thereto, and with the conditions and requirements of all policies of insurance with respect to the Realty Portion and this Corporation Project Lease. Promptly upon completion of the Realty Portion, the Corporation will obtain or cause to be obtained all required occupancy permits, authorizations and licenses from appropriate authorities, if any be required, authorizing the occupancy, operation and use of the Realty Portion for the purposes contemplated by this Corporation Project Lease and shall furnish copies of the same to the Agency promptly upon receipt thereof.

Section 2.5 Completion of the Project. The date of completion of the Realty Portion shall be evidenced by a certificate of the Corporation, executed by an Authorized Representative of the Corporation, delivered to the Agency, stating, except for any costs of the Realty Portion not then due and payable or the liability for payment of which is being contested or disputed in good faith by the Corporation:

(i) the Realty Portion has been completed substantially in accordance with the plans and specifications therefor and the date of completion of the Project,

(ii) all labor, services, machinery, equipment, materials and supplies used therefor have been paid for, or, if the Corporation is reasonably contesting payment of any of the foregoing, the Corporation provides assurance satisfactory to the Agency that such nonpayment will not result in a lien being placed on all or any portion of the Realty Portion,

(iii) all other facilities necessary in connection with the Realty Portion of the Project have been completed and all costs and expenses incurred in connection therewith have been paid,

(iv) the Agency has a leasehold interest in the Realty Portion and that all property constituting the Realty Portion is subject to this Corporation Project Lease, subject only to Permitted Encumbrances, and

(v) in accordance with all applicable laws, regulations, ordinances and guidelines, the Realty Portion is ready for occupancy, use and operation for its intended purposes.

Notwithstanding the foregoing, such certificate may state (i) it is given without prejudice to any rights of the Corporation against third parties which exist at the date of such certificate or which may subsequently come into being, and (ii) no Person other than the Agency may benefit therefrom.

Section 2.6 Evidence of Completion. The certificate delivered pursuant to Section 2.5 shall be accompanied by:

(i) a temporary or permanent certificate of occupancy, if required, and any and all permissions, approvals, licenses or consents required of governmental authorities for the occupancy, operation and use of the Project for the purposes contemplated by this Corporation Project Lease,

(ii) a certificate of an Authorized Representative of the Corporation that all costs of the Realty Portion have been paid in full or arrangement for payment, reasonably satisfactory to the Agency, has been made, together with releases of mechanics' liens by the general contractor and by all contractors and materialmen who supplied work, labor, services, machinery, equipment, materials or supplies in connection with the Realty Portion, other than mechanics' liens that are being contested in good faith and, to the extent necessary, fully bonded, and

(iii) evidence satisfactory to the Agency that all real property taxes and assessments, and payments in lieu of taxes, if any, due and payable under the PILOT Agreement in respect of the Realty Portion have been paid in full.

Upon request by the Agency, the Corporation shall make available to the Agency copies of any bills, invoices or other evidences of costs as shall have been incurred in the effectuation of the Realty Portion.

Section 2.7 Vesting of Exempt Property. A leasehold interest to all Exempt Property intended to be incorporated or installed as part of the Project (other than the Schreiner Portion, which may vest through other Project Documents) shall vest in the Agency pursuant to this Corporation Project Lease immediately upon delivery to or installation or incorporation into the Project or payment therefor, whichever shall occur first. The Corporation shall take all action necessary to protect such interest of the Agency against claims of any third parties with respect to the Exempt Property.

Section 2.8 Survey. On or prior to the Commencement Date, the Corporation will obtain and deliver to the Agency a current survey of the Premises.

Section 2.9 Title Report. On or prior to the Commencement Date, the Corporation will obtain and deliver to the Agency a current Title Report of the Premises.

Section 2.10 Sales Tax Exemption. (a) Any exemption from Sales Taxes resulting from or occasioned by the Agency's involvement with the Project shall be limited to purchases of Exempt Property effected by the Corporation or Schreiner in their respective role as agents for the Agency, it being the intent of the parties that no operating expenses of the Corporation and no purchases of equipment or other personal property (other than Exempt Property) shall be subject to an exemption from Sales Taxes because of the Agency's involvement with the Project.

(b) The Sales Tax Exemption Agreement sets forth the rights and obligations of the Agency, the Corporation and Schreiner relating to exemptions from sales and use tax for which certain Project purchases may be eligible, and the Sales Tax Exemption Agreement is referred to herein but is expressly not incorporated by reference herein.

ARTICLE III
LEASE OF PROJECT AND RENTAL PROVISIONS

Section 3.1 Lease of the Project. (a) The Agency hereby leases to the Corporation and the Corporation hereby leases from the Agency the Agency's leasehold interest in the Project derived under the Corporation Lease, for and during the term herein provided and upon and subject to the terms and conditions herein set forth. The Agency hereby delivers to the Corporation, and the Corporation hereby accepts, sole and exclusive possession of the Project (it being understood by the parties hereto that delivery of possession to the Agency of the Project as the same is acquired and constructed shall take no further act or deed by the parties hereto).

(b) The Corporation hereby unconditionally represents, warrants, covenants and agrees that throughout the term of this Corporation Project Lease: (i) the Project will be a "project" within the meaning of the Act; (ii) the Corporation will not take any action, or suffer or permit any action, if such action would cause the Project, not to be a "project" within the meaning of the Act; and (iii) the Corporation will not fail to take any action, or suffer or permit the failure to take any action, if such failure would cause the Project not to be a "project" within the meaning of the Act. The Corporation shall not occupy, use or operate the Project, or allow the Project or any part thereof to be occupied, used or operated, for any unlawful purpose or in violation of any certificate of occupancy affecting the Project or for any use which may constitute a nuisance, public or private, or make void or voidable any insurance then in force with respect thereto.

(c) This Corporation Project Lease is subject and subordinate to the Corporation Lease and any Mortgages and all amendments, modifications, extensions, renewals, consolidations, restatements, refinancings or replacements thereof.

(d) Concurrently with the execution and delivery of this Corporation Project Lease, the Corporation agrees to enter into a sublease with respect to portions of its right title and interest in the Project by virtue of its leasehold estate under the Corporation Project Lease to Schreiner for purposes of Schreiner entering into a Straight - Lease Transaction with the Agency with respect to the Schreiner Portion.

Section 3.2 Duration of Term. The term of this Corporation Project Lease shall commence on the Commencement Date and shall expire at midnight (New York time) on December 31, 2041, or such earlier date as this Corporation Project Lease may be terminated as hereinafter provided. The Agency hereby delivers to the Corporation and the Corporation hereby accepts sole and exclusive possession of the Project.

Section 3.3 Rental Provisions. (a) Base Rent. The Corporation shall pay base rent ("Base Rent") to the Agency, without demand or notice, on the date of execution and delivery of this Corporation Project Lease, in the amount of ten dollars (\$10.00). No other Base Rent shall be due during the term of this Corporation Project Lease.

(b) Annual Administrative Fee. The Corporation and Schreiner shall pay as additional rent an Annual Administration Fee in the combined amount of \$500.00 (one-half to be paid by the Corporation, the balance to be paid by Schreiner), payable upon the Commencement

Date and on each January 1 thereafter. For the purposes of clarity, there shall only be one Annual Administration Fee due annually in connection with the Project. Such amount may be adjusted from time to time by the Agency to be an amount equal to any replacement administrative fee as may be established from time to time by the Agency as generally applicable to entities receiving or that have received Financial Assistance.

(c) Additional Agency Expenses. The Corporation further agrees to pay as additional rent the reasonable and documented fees, costs and expenses of the Agency together with any reasonable and documented fees and disbursements incurred by the Agency's legal counsel in performing services for the Agency in connection with this Corporation Project Lease or any other Project Document, including, but not limited to, the Agency's participation in the preparation, review, implementation and performance of this Corporation Project Lease, any other Project Document, any mortgage, any additional financing or any refinancing, any re-conveying of the Project to the Corporation, any proceedings for enforcement of the Agency's rights or obligations hereunder and any disputes relating thereto. The provisions of this Section shall survive the termination of this Corporation Project Lease.

(d) Additional Rent. Throughout the term of this Corporation Project Lease, the Corporation shall pay to the Agency any additional amounts required to be paid by the Corporation to or for the account of the Agency hereunder, and any such additional amounts shall be paid as, and shall represent payment of, Additional Rent.

(e) Missed Payments. In the event the Corporation should fail to make or cause to be made any of the Rental Payments required under the foregoing provisions of this Section, the item or installment not so paid shall continue as an obligation of the Corporation until the amount not so paid has been paid in full, together with interest thereon from the date due at the applicable interest rate stated in this Corporation Project Lease where so provided, or if not so provided, at eighteen percent (18%) per annum.

(f) Payment Flexibility. Any amount owed by the Corporation under this Section or another other provision of the Project Documents may be paid on behalf of the Corporation by Schreiner or any Affiliate of the Corporation or Schreiner and the Agency shall accept any such payment, if timely made in the proper amount, as full performance by the Corporation of the respective obligation.

Section 3.4 Obligation of Corporation Unconditional. The obligation of the Corporation to pay the rent and all other payments provided for in this Corporation Project Lease and to maintain the Realty Portion in accordance with Section 4.2 shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim or deduction and without any rights of suspension, deferment, diminution or reduction it might otherwise have against the Agency and the obligation of the Corporation shall arise whether or not the Project has been completed as provided in this Corporation Project Lease. The Corporation will not suspend or discontinue any such payment or terminate this Corporation Project Lease (other than such termination as is provided for hereunder) for any cause whatsoever, and the Corporation waives all rights now or hereafter conferred by statute or otherwise to quit, terminate, cancel or surrender this Corporation Project Lease or any obligation of the Corporation under this Corporation Project Lease or the Project or any part thereof except

as provided in this Corporation Project Lease or to any abatement, suspension, deferment, diminution or reduction in the rentals or other payments hereunder.

Section 3.5 Rental Payments Payable Absolutely Net. The obligation of the Corporation to pay Rental Payments provided for in this Corporation Project Lease shall be absolutely net to the Agency without any abatement, recoupment, diminution, reduction, deduction, counterclaim, set-off or offset whatsoever, so that this Corporation Project Lease shall yield, net, to the Agency, the Rental Payments provided for herein, and all costs, expenses and charges of any kind and nature relating to the Realty Portion, arising or becoming due and payable during or after the term of this Corporation Project Lease, shall be paid by the Corporation and the Agency shall be indemnified by the Corporation for, and the Corporation shall hold the Agency harmless from, any such costs, expenses and charges.

Section 3.6 Rights to Depreciation. During the entire term of this Corporation Project Lease, as between the Corporation and the Agency the Corporation shall be the tax owner of the Project, and as such, the Agency shall not claim or be entitled to depreciation, amortization or tax credits for federal and state tax purposes.

Section 3.7 Environmental Indemnity. Concurrently with the execution of this Corporation Project Lease the Corporation and Schreiner shall enter into the Environmental Indemnity Agreement. The obligations of the Corporation under the Environmental Indemnity Agreement are expressly incorporated herein by reference as if fully stated herein, and constitute a part of this Corporation Project Lease.

ARTICLE IV
COMPLETION, MAINTENANCE, TAXES AND INSURANCE

Section 4.1 Project Completion.

(a) The Corporation will complete the Project Work, or cause the Project Work to be completed in a workmanlike manner, free of material defects in materials and workmanship (including latent defects).

(b) In undertaking the Project Work, the Corporation shall take such action and institute such proceedings as shall be necessary to cause and require all contractors, manufacturers and suppliers to complete their agreements relating to the Project Work in accordance with the terms of the contracts therefor including the correction of any defective work.

(c) The Corporation will perform or cause to be performed the Project Work in accordance with all applicable laws, rules or regulations and with the conditions and requirements of all policies of insurance with respect to the Realty Portion and the Project Work. Promptly upon finishing of the Project Work, the Corporation will obtain or cause to be obtained all required permits, authorizations and licenses from appropriate authorities, if any be required, authorizing the occupancy, operation and use of the Project in accordance with this Corporation Project Lease and shall furnish copies of same to the Agency immediately upon the Agency's demand.

(d) Upon completion of the Project Work, the Corporation shall promptly deliver to the Agency the completion certificate and supporting documentation required by subsection 2.5. Upon request, the Corporation must provide to the Agency such additional documentation to evidence that the Project Work has been completed as may be requested by the Agency.

Section 4.2 Maintenance, Alterations and Improvements. (a) During the term of this Corporation Project Lease, the Corporation will keep the Realty Portion in reasonably good and safe operating order and condition in all material respects, ordinary wear and tear excepted, will occupy, use and operate the Realty Portion in the manner for which it was designed and intended and contemplated by this Corporation Project Lease, and will make reasonably necessary refurbishments, replacements, renewals and repairs thereto (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen) to ensure that the operations of the Corporation at the Project shall not be materially impaired or diminished. All refurbishments, replacements, renewals and repairs shall be equal in quality, class and value to the original work and be made and installed in compliance with the requirements of all governmental bodies. The Agency shall be under no obligation to replace, service, test, adjust, erect, maintain or effect refurbishments, replacements, renewals or repairs of the Realty Portion, to effect the replacement of any inadequate, obsolete, worn-out or unsuitable parts of the Realty Portion, or to furnish any utilities or services for the Realty Portion, and the Corporation hereby agrees to assume full responsibility therefor.

(b) The Corporation shall have the privilege of making such alterations of or additions to the Project or any part thereof from time to time as it in its discretion may determine to be desirable for its uses and purposes, provided that:

(i) as a result of such alterations or additions the fair market value of the Project is not reduced below its value immediately before such alteration or addition and the usefulness, structural integrity or operating efficiency of the Project is not materially impaired,

(ii) such additions or alterations are effected with due diligence, in a good and workmanlike manner and in compliance with all applicable legal requirements,

(iii) such additions or alterations are promptly and fully paid for by the Corporation in accordance with the terms of the applicable contract(s) therefor, and in order that the Project shall at all times be free of any mortgage, lien, charge, encumbrance, security interest or claim other than Permitted Encumbrances,

(iv) such additions or alterations do not change the nature of the Project so that it would not constitute a qualified "project" as defined in and as contemplated by the Act, would not materially differ from the Project as set forth in the Authorizing Resolution or the Notice of Public Hearing, or would not materially alter the square footage of the Project, and

(v) such additions or alterations do not require site plan review or approval by any governmental authority and would not require any such review or approval if the Agency were a private Person.

All alterations of and additions to and refurbishments and replacements of the Realty Portion shall constitute a part of the Realty Portion, subject to this Corporation Project Lease. The Corporation shall deliver or cause to be delivered to the Agency appropriate documents as may be necessary to convey leasehold title to such property to the Agency, at the Corporation's sole cost and expense, and to subject such property to this Corporation Project Lease free and clear of all liens, charges, encumbrances, security interests or claims other than Permitted Encumbrances.

(c) The Corporation, Schreiner and its Affiliates shall have the right to install or permit to be installed at the Project realty machinery, equipment and other personal property not constituting part of the Project (the "Unrelated Property") without conveying title to such property to the Agency nor subjecting such property to this Corporation Project Lease. The Agency shall not be responsible for any loss of or damage to the Unrelated Property. The Corporation and its Affiliates shall have the right to create or permit to be created any mortgage, encumbrance, lien or charge on, or conditional sale or other title retention agreement with respect to, the Unrelated Property.

(d) The Corporation shall not create, permit or suffer to exist any mortgage, encumbrance, lien, security interest, claim or charge against the Project or any part thereof, or the interest of the Corporation in the Project or this Corporation Project Lease except for Permitted Encumbrances.

Section 4.3 Removal of Property from the Project.

(a) The Corporation shall have the right to remove from the Project any fixture constituting part of the Project realty or any machinery, equipment or other property constituting part of the Project (the “Existing Project Property”) and thereby acquiring such Existing Project Property; provided, however, such Existing Project Property is substituted or replaced by property (i) having at least materially similar fair market value, operating efficiency and utility, and (ii) free of any mortgages, liens, charges, encumbrances, claims and security interests not permitted under this Corporation Project Lease. No such removal shall be effected if (a) such removal would change the nature of the Project as a “Project” within the meaning of the Act, (b) such removal would materially impair the usefulness, structural integrity or operating efficiency of the Project, or (c) such removal would materially reduce the fair market value of the Project below its value immediately before such removal.

(b) The Corporation shall deliver or cause to be delivered to the Agency any necessary documents conveying to the Agency title to any property installed or placed upon the Project pursuant to Section 4.3(a) and subjecting such substitute or replacement property to this Corporation Project Lease, and, upon written request of the Corporation, the Agency shall deliver, within thirty (30) days after receipt of such written request of the Corporation, to the Corporation appropriate documents conveying to the Corporation all of the Agency’s right, title and interest in any property removed from the Project pursuant to Section 4.3(a). The Corporation agrees to pay all reasonable and documented costs and expenses (including reasonable and documented counsel fees and expenses) incurred by the Agency in subjecting to this Corporation Project Lease any property installed or placed on the Project as part of the Project or removed therefrom pursuant to this Section.

(c) The removal from the Project of any Existing Project Property pursuant to the provisions of Section 4.3(a) shall not entitle the Corporation to any abatement or reduction in the Rental Payments payable by the Corporation under this Corporation Project Lease.

Section 4.4 Payments in Lieu of Real Estate Taxes.

(a) The Agency and the Corporation acknowledge that as of the date of this Corporation Project Lease there is no executed PILOT Agreement, and that the Project remains on the tax rolls as non-exempt property. Until such time as the PILOT Agreement becomes effective, Corporation shall pay taxes, assessments and charges in accordance with Section 4.5. When the PILOT Agreement is executed and delivered and becomes effective, with respect to real property taxes only, the terms of the PILOT Agreement shall govern the payments of real property taxes or PILOT payments as applicable and in accordance with the terms of the PILOT Agreement.

(b) The PILOT Agreement shall set forth the rights and obligations of the Agency and the Corporation relating to PILOT.

Section 4.5 Taxes, Assessments and Charges. Except with respect to real property taxes paid in accordance with the PILOT Agreement upon its effectiveness as set forth in Section 4.4, the Corporation shall pay when the same shall become due all taxes and

assessments, general and specific, if any, levied and assessed upon or against the Project, this Corporation Project Lease, any estate or interest of the Agency or the Corporation in the Project, or the rentals hereunder during the term of this Corporation Project Lease, and all water and sewer charges, special district charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, ordinary or extraordinary, under any present or future law, and charges for public or private utilities or other charges incurred in the occupancy, use, operation, maintenance or upkeep of the Project, all of which are herein called "Impositions". The Agency shall promptly forward to the Corporation any notice, bill or other statement received by the Agency concerning any Imposition. The Corporation may pay any Imposition in installments if so payable by law, whether or not interest accrues on the unpaid balance.

Section 4.6 Operation of Project. The Corporation and/or Schreiner shall continue to operate the Project at all times during the term of this Corporation Project Lease. Such operation shall be solely for the purpose described in Section 3.1 and in accordance with the provisions of the Act. For the purpose of this Corporation Project Lease, the Corporation and/or Schreiner shall be deemed to have ceased to operate the Project for the purposes described herein if it (a) materially alters the use of the Project, in the Agency's reasonable judgment, except as permitted hereunder, (b) closes the Project other than for routine maintenance, observance of national holidays or regularly scheduled seasonal closings, or (c) reduces the operations of the Project to such an extent that, in the Agency's reasonable judgment, the public purpose to be derived from the Project in accordance with Section 1.5 has been substantially impaired. Any of the foregoing notwithstanding, the Corporation and/or Schreiner may use the Project for some purpose other than that described herein with the prior written consent of the Agency, which consent may be withheld in the absolute discretion of the Agency, and provided further that such proposed use constitutes a qualified "Project" in accordance with the Agency's policy and as defined under the Act.

Section 4.7 Insurance.

(a) At all times throughout the term of this Corporation Project Lease, including without limitation during any period of construction or reconstruction of the Project, the Corporation shall maintain insurance, with insurance companies licensed to do business in the State, against such risks, loss, damage and liability (including liability to third parties) and for such amounts as are customarily insured against by other enterprises of like size and type as that of the Corporation, all of which shall be subject to the approval of the Agency and any Lenders, which approval shall not be unreasonably withheld or delayed; provided, however, that, except as may be expressly required below, in no event shall the Agency require insurance materially different in type, coverage or limits than that typically required by a lender, including, without limitation:

(i) To the extent not covered by the public liability insurance referred to below, Owners & Contractors Protective Liability Insurance for the benefit of the Corporation and the Agency in a minimum amount of \$1,000,000.00 coverage per occurrence for personal injury and property damage;

(ii) Builders' All Risk Insurance written on "100% builders' risk completed value, non-reporting form" including coverage therein for "completion and/or premises occupancy" during any period of construction or reconstruction of the Project, and coverage for property damage insurance, all of which insurance shall include coverage for removal of debris and insuring the buildings, structures, machinery, equipment, facilities, fixtures and other property constituting a part of the Realty Portion against loss or damage to the Realty Portion by fire, lightning, vandalism, malicious mischief and other casualties, with standard extended coverage endorsement covering perils of windstorm, hail, explosion, aircraft, vehicles and smoke (except as limited in the standard form of extended coverage endorsement at the time in use in the State) at all times in an amount such that the proceeds of such insurance shall be sufficient to prevent the Corporation or the Agency from becoming a co-insurer of any loss under the insurance policies but in any event in amounts equal to not less than 100% of the actual replacement value of the Realty Portion as determined by a qualified insurance appraiser or insurer (selected by the Corporation and approved by the Agency) upon the request of the Agency, at the expense of the Corporation, and any such insurance may provide that the insurer is not liable to the extent of the first \$10,000 with the result that the Corporation is its own insurer to the extent of \$10,000 of such risks;

(iii) Public liability insurance in accordance with customary insurance practices for similar operations with respect to the Project and the business thereby conducted in a minimum amount of \$5,000,000 per occurrence, which insurance (A) will also provide coverage of the Corporation's obligations of indemnity under Section 6.2, (B) may be effected under overall blanket, umbrella or excess coverage policies of the Corporation or any Affiliate thereof provided; however, that at least \$500,000 is effected by a comprehensive liability insurance policy, and (C) shall not contain any provisions for a deductible amount;

(iv) Boiler and machine property damage insurance in respect of any steam and pressure boilers and similar apparatus located on the Realty Portion realty from risks normally insured against under boiler and machinery policies and in amounts and with deductibles customarily obtained for similar business enterprises;

(v) Workers' compensation insurance, disability benefits insurance and such other forms of insurance which the Corporation or the Agency is required by law to provide covering loss resulting from injury, sickness, disability or death of the employees of the Corporation or any contractor or subcontractor performing work with respect to the Project; the Corporation shall require that all said contractors and subcontractors shall maintain all forms or types of insurance with respect to their employees required by the law;

(vi) Flood insurance, if the Project realty is located in a flood hazard area designated as such under the National Flood Insurance Act of 1968 and qualifies for coverage under such Act, in the maximum amount available; and

(vii) Such other insurance in such amount and against such insurable hazards as the Agency from time to time may reasonably require; provided, however, such amount

and such insurable hazards may only be required by the Agency if such new standards are generally applicable to and imposed upon entities receiving or that have received Financial Assistance from the Agency.

(b) All insurance required by Section 4.7(a) shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State with a rating of A-X or better by A.M. Best.

(c) Each of the policies or binders evidencing the insurance required above to be obtained shall

(i) designate (except in the case of workers' compensation insurance) the Agency as an additional insured;

(ii) provide that there shall be no recourse against the Agency for the payment of premiums or commissions or (if such policies or binders provide for the payment thereof) additional premiums or assessments;

(iii) provide that in respect of the respective interests of the Agency in such policies, the insurance shall not be invalidated by any action or inaction of the Corporation or any other Person and shall insure the Agency regardless of, and any losses shall be payable notwithstanding, any such action or inaction;

(iv) provide that such insurance shall be primary insurance without any right of contribution from any other insurance carried by the Agency to the extent that such other insurance provides the Agency with contingent and/or excess liability insurance with respect to its respective interest as such in the Project;

(v) provide that if the insurers cancel such insurance for any reason whatsoever, including the insured's failure to pay any accrued premium, or the same is allowed to lapse or expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to the Agency until at least thirty (30) days after receipt by the Agency of written notice by such insurers of such cancellation, lapse, expiration or change;

(vi) waive any right of subrogation of the insurers thereunder against the Agency insured under such policy, and waive any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of the Agency insured under such policy; and

(vii) contain such other terms and provisions as any owner or operator of facilities similar to the Project would, in the prudent management of its properties, require to be contained in policies, binders or interim insurance contracts with respect to facilities similar to the Project owned or operated by it.

(d) Subject to the requirements of each Mortgage, the Net Proceeds of any insurance received with respect to any loss or damage to the property of the Project shall be applied in accordance with Section 5.1 of this Corporation Project Lease.

(e) The Corporation shall, at its own cost and expense, make all proofs of loss and take all other steps necessary or reasonably requested by the Agency to collect from insurers for any loss covered by any insurance required to be obtained by this Section. The Corporation shall not do any act, or suffer or permit any act to be done, whereby any insurance required by this Section would or might be suspended or impaired.

(f) THE AGENCY DOES NOT IN ANY WAY REPRESENT THAT THE INSURANCE SPECIFIED HEREIN, WHETHER IN SCOPE OR COVERAGE OR LIMITS OF COVERAGE, IS ADEQUATE OR SUFFICIENT TO PROTECT THE BUSINESS OR INTEREST OF THE CORPORATION.

Section 4.8 Advances by Agency. In the event the Corporation fails to make any payment or perform or observe any obligation required of it under this Corporation Project Lease, the Agency, after first notifying the Corporation in writing of any such failure on its part, may (but shall not be obligated to), and without waiver of any of the rights of the Agency under this Corporation Project Lease, make such payment or otherwise cure any failure by the Corporation to perform and observe its other obligations hereunder. All amounts so advanced therefor by the Agency shall become an additional obligation of the Corporation to the Agency which amounts, together with interest thereon at the rate of twelve percent (12%) per annum from the date advanced, the Corporation will pay upon demand therefor by the Agency. Any remedy herein vested in the Agency for the collection of the rental payments or other amounts due hereunder shall also be available to the Agency for the collection of all such amounts so advanced.

Section 4.9 Compliance with Law. The Corporation agrees that it will, throughout the term of this Corporation Project Lease and at its sole cost and expense, promptly observe and comply with all Federal, State and local statutes, codes, laws, acts, ordinances, orders, judgments, decrees, rules, regulations and authorizations, whether foreseen or unforeseen, ordinary or extraordinary, which shall now or at any time hereafter be binding upon or applicable to the Corporation, or any occupant, user or operator of the Project or any portion thereof (including without limitation those relating to zoning, land use, environmental protection, air, water and land pollution, toxic wastes, hazardous wastes, solid wastes, wetlands, health, safety, equal opportunity, minimum wages, and employment practices) (the "Legal Requirements"), and will observe and comply with all conditions, requirements, and schedules necessary to preserve and extend all rights, licenses, permits (including, without limitation, zoning variances, special exception and non-conforming uses), privileges, franchises and concessions. The Corporation will not, without the prior written consent of the Agency, which consent shall not be unreasonably withheld or delayed, initiate, join in or consent to any private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or defining the uses which may be made of the Project or any part thereof. The Corporation shall indemnify and hold harmless the Indemnified Parties (as defined in Section 6.2) from and against all loss, cost, liability and expense (a) in any manner arising out of or related to any violation of or failure to comply with any Legal Requirement or (b) imposed upon the Corporation or any of the Indemnified Parties by any Legal Requirement; in case any action or proceeding is brought against any of the Indemnified Parties with respect to any Legal Requirement, the Corporation shall upon notice from any of the Indemnified Parties defend such action or proceeding by counsel reasonably satisfactory to the Indemnified Party.

The Corporation may contest in good faith the validity, existence or applicability of any of the foregoing if (i) such contest shall not result in the Project or any part thereof or interest therein being in any danger of being sold, forfeited or lost, (ii) such contest shall not result in the Corporation or, the Agency being in any danger of any civil or any criminal liability other than normal accrual of interest, for failure to comply therewith, and (iii) the Corporation shall have furnished such security, if any, as may be reasonably requested by the Agency for failure to comply therewith.

ARTICLE V
DAMAGE, DESTRUCTION AND CONDEMNATION

Section 5.1 Damage, Destruction and Condemnation.

(a) In the event that at any time during the term of this Corporation Project Lease the whole or part of the Project shall be damaged or destroyed, or taken or condemned by a competent authority for any public use or purpose, or by agreement between the Agency and those authorized to exercise such right, or if the temporary use of the Project shall be so taken by condemnation or agreement (a “Loss Event”):

 (i) the Agency shall have no obligation to rebuild, replace, repair or restore the Project,

 (ii) there shall be no abatement, postponement or reduction in the rent or other amounts payable by the Corporation under this Corporation Project Lease or any other Project Document, and

 (iii) the Corporation will promptly give written notice of such Loss Event to the Agency and each Lender, generally describing the nature and extent thereof.

(b) Upon the occurrence of a Loss Event, the Corporation shall either:

 (i) at its own cost and expense (except to the extent paid from the Net Proceeds as provided below), promptly and diligently rebuild, replace, repair or restore the Project to substantially its condition immediately prior to the Loss Event, or to a condition of at least equivalent value, operating efficiency and function, regardless of whether or not the Net Proceeds derived from the Loss Event shall be sufficient to pay the cost thereof, and the Corporation shall not by reason of payment of any such excess costs be entitled to any reimbursement from the Agency, nor shall the rent or other amounts payable by the Corporation under this Corporation Project Lease or any other Project Document be abated, postponed or reduced, or

 (ii) exercise its option to purchase the Project and to terminate this Corporation Project Lease as provided in Section 8.1.

As soon as practicable, but not later than ninety (90) days after the occurrence of a Loss Event, the Corporation shall advise the Agency and each Lender in writing of the action to be taken by the Corporation under this Section.

(c) All rebuilding, replacements, repairs or restorations in respect of or occasioned by a Loss Event shall:

 (i) automatically be deemed a part of the Project and held as a leasehold interest by the Agency and be subject to this Corporation Project Lease,

(ii) be in accordance with plans and specifications and cost estimates approved in writing by the Agency (which approvals shall not be unreasonably withheld or delayed),

(iii) be effected only if the Corporation shall deliver to the Agency a certificate to the effect that such rebuilding, replacement, repair or restoration shall not change the nature of the Project as a qualified "project" as defined in and as contemplated by the Act,

(iv) be preceded by the furnishing by the Corporation to the Agency of a labor and materials payment bond, or other security, reasonably satisfactory to the Agency, and

(v) be effected with due diligence in a good and workmanlike manner, in compliance with all applicable Legal Requirements and be promptly and fully paid for by the Corporation in accordance with the terms of the applicable contract(s) therefor.

(d) Notwithstanding anything contained herein to the contrary, if all or substantially all of the Project realty shall be taken or condemned, or if the taking or condemnation renders the Project realty unsuitable for use by the Corporation as contemplated hereby, the Corporation shall exercise its option to terminate this Corporation Project Lease as provided in Section 8.1.

(e) The Corporation shall be entitled to any insurance proceeds or condemnation award, compensation or damages attributable to improvements, machinery, equipment or other property installed on or about the Project realty but which, at the time of such damage or taking, is not part of the Project nor subject to the Mortgage and is owned by the Corporation.

(f) The Corporation hereby waives the provisions of Section 227 of the New York Real Property Law or any law of like import now or hereafter in effect.

(g) Nothing contained in this Corporation Project Lease shall be deemed to supersede or modify the obligations of the Corporation pursuant to a Mortgage with respect to condemnation or casualty proceeds, and such Mortgage shall control the use of condemnation and casualty proceeds, this Corporation Project Lease being subject and subordinate to such Mortgage in all respects.

ARTICLE VI SPECIAL COVENANTS

Section 6.1 Dissolution of Corporation; Restrictions on Corporation. The Corporation covenants and agrees that at all times during the term of this Corporation Project Lease, it will (i) maintain its existence, (ii) continue to be subject to service of process in the State and organized under the laws of, or qualified to do business in, the State, (iii) not liquidate, wind-up or dissolve or otherwise dispose of all or substantially all of its property, business or assets, and (iv) not consolidate with or merge into another entity or permit one or more entities to consolidate with or merge into it; provided, however, the Corporation, without violating the foregoing but with the prior written consent (not to be unreasonably withheld or delayed) of the Agency, may consolidate with or merge into another entity, or permit one or more entities to consolidate with or merge into it, or sell or otherwise transfer all or substantially all of its property, business or assets to another such entity (and thereafter liquidate, wind-up or dissolve or not, as the Corporation may elect) if, (i) the Corporation is the surviving, resulting or transferee entity, and has a net worth (as determined in accordance with generally accepted accounting principles) at least equal to that of the Corporation immediately prior to such consolidation, merger or transfer, or (ii) in the event that the Corporation is not the surviving, resulting or transferee entity (1) the surviving, resulting or transferee entity (A) is solvent and subject to service of process in the State and organized under the laws of the State, or any other state of the United States, and duly qualified to do business in the State, (B) assumes in writing all of the obligations of the Corporation contained in this Corporation Project Lease and all other Project Documents to which the Corporation shall be a party, and (C) is not a Prohibited Person, and (2) the Corporation delivers to the Agency an opinion of counsel reasonably acceptable to the Agency to the effect that this Corporation Project Lease and all other Project Documents to which the Corporation shall be a party constitute the legal, valid and binding obligations of such successor Corporation and are enforceable in accordance with their respective terms to the same extent as they were enforceable against the predecessor Corporation, and (3) in the opinion of an Independent Accountant, such successor Corporation has a net worth (as determined in accordance with generally accepted accounting principles) after the merger, consolidation, sale or transfer at least equal to that of the Corporation immediately prior to such merger, consolidation, sale or transfer, provided, however, that prior written consent of the Agency shall not be required for transfers to an Affiliate of the Corporation meeting the requirements set forth in (A), (B) and (C) above. The Corporation further represents, covenants and agrees that it is and throughout the term of this Corporation Project Lease will (y) continue to be duly qualified to do business in the State and that any company succeeding to its rights under this Corporation Project Lease shall be and continue to be duly qualified to do business in the State, and (z) not constitute a Prohibited Person.

Section 6.2 Indemnity.

(a) To the fullest extent permitted by law, the Corporation shall at all times protect and hold the Agency and any director, member, officer, official, employee, servant or agent of either the Agency and persons under the control or supervision of either the Agency (collectively, the “Indemnified Parties” and each an “Indemnified Party”) harmless of, from and against any and all claims (whether in tort, contract or otherwise), demands, expenses (including but not limited to reasonable fees and expenses of counsel) and liabilities for losses, damage,

injury and liability of every kind and nature and however caused, and taxes (of any kind and by whomsoever imposed), other than, with respect to each Indemnified Party, losses arising from the negligence, fraud or willful misconduct of such Indemnified Party, arising upon or about the Realty Portion realty or resulting from, arising out of, or in any way connected with (i) any actions of the Agency pertaining to the Realty Portion on or after the date of the Authorizing Resolution, (ii) the financing of the costs of the Realty Portion and the participation of the Agency in the transactions contemplated by this Corporation Project Lease and the other Project Documents, (iii) the planning, design, acquisition, site preparation, construction, renovation, equipping, installation or completion of the Realty Portion or any part thereof or the effecting of any work done in or about the Realty Portion realty, (iv) any defects (whether latent or patent) in the Realty Portion, (v) the maintenance, repair, replacement, restoration, rebuilding, upkeep, use, occupancy, ownership, leasing, subletting or operation of the Project or any portion thereof, (vi) the exercise by the Agency of any remedy set forth in Section 7.2 or under any other provision hereof or of any other Project Document, (vii) the execution and delivery by the Indemnified Party of, or performance by the Indemnified Party of any of its obligations under, this Corporation Project Lease or any other Project Document or any other document or instrument delivered in connection herewith or therewith or the enforcement of any of the terms hereof or thereof or the transactions contemplated hereby or thereby, or (viii) a default by the Corporation hereunder or under any Project Document. No Indemnified Party shall be liable for any damage or injury to the person or property of the Corporation or its directors, officers, partners, employees, agents or servants or Persons under the control or supervision of the Corporation or any tenant or subtenant of the Project, or any other Person who may be about the Project, due to any act defect in the Realty Portion, failure of service or utility thereto, any other matter arising at the Realty Portion or out of this Corporation Project Lease or the Project Documents, or act or negligence of any Person other than, with respect to any Indemnified Party, the negligence or willful misconduct of such Indemnified Party.

(b) The Corporation releases the Indemnified Parties from, and agrees that the Indemnified Parties shall not be liable for and agrees to indemnify and hold the Indemnified Parties harmless against, any expense, loss, damage, injury or liability incurred because of any lawsuit commenced against any Indemnified Party as a result of action taken by any Indemnified Party with respect to any of the matters set forth in subdivisions (i) through (v) of Section 6.2(a) or at the direction of the Corporation with respect to any of such matters above referred to, excepting any actions constituting negligence, fraud or willful misconduct. Each Indemnified Party shall promptly notify the Corporation in writing of any claim or action brought against such Indemnified Party in which indemnity may be sought against the Corporation pursuant to this Section or any other provision of this Corporation Project Lease. Such notice shall be given in sufficient time to allow the Corporation to defend or participate in such claim or action.

(c) The indemnifications and protections set forth in this Section shall be extended, with respect to each Indemnified Party, to its members, directors, officers, employees, agents and servants and persons under its control or supervision irrespective of insurance coverage or the failure or refusal of any insurance company to perform any of its obligations under any policy of insurance.

(d) To effectuate the purposes of this Section, the Corporation will provide for and insure, in the public liability insurance policies required in Section 4.7, not only its own

liability in respect of the matters therein mentioned but also the liability pursuant to this Section other than the liability pursuant to Section 6.2(a)(i) and (v). Anything to the contrary in this Corporation Project Lease notwithstanding, the covenants of the Corporation contained in this Section shall remain in full force and effect after the termination of this Corporation Project Lease until the later of (i) the expiration of the period stated in the applicable statute of limitations during which a claim or cause of action may be brought and (ii) payment in full or the satisfaction of such claim or cause of action and of all expenses and charges incurred by the Indemnified Party relating to the enforcement of the provisions herein specified.

(e) For the purposes of this Section, neither the Corporation nor Schreiner shall be deemed an employee, agent or servant of the Agency, or a Person under the control or supervision of the Agency.

(f) The provisions of this Section shall be in addition to any and all other obligations and liabilities the Corporation may have to any Indemnified Party at common law, and shall survive the termination of this Corporation Project Lease.

(g) The Corporation will have the right, but not the obligation, to control the defense of any actions, claims or other matters indemnified under this Corporation Project Lease and will have the right to settle such actions, claims or matters such terms as it may deem reasonable so long as such defense and/or settlement are approved by the Agency and releases or indemnifies the Agency. The Agency shall be entitled to its own counsel in defense of any such action, claim or matter.

Section 6.3 Retention of Interest in Project; Grant of Easements.

(a) The Agency shall not sell, assign, encumber (other than Permitted Encumbrances), convey or otherwise dispose of its interest in the Project or any part thereof or interest therein during the term of this Corporation Project Lease, except as set forth below and in Sections 4.3, 5.1, 7.2 and 9.2, without the prior written consent of the Corporation and each Lender and any purported disposition without such consent shall be void.

(b) The Agency will, however, at the written request of the Corporation, so long as there exists no Event of Default hereunder, grant such rights-of-way or easements over, across, or under, the Project realty, or grant such permits or licenses with respect to the use thereof, free from the leasehold estate of this Corporation Project Lease, as shall be necessary or convenient for the operation or use of the Project, provided that such leases, rights-of-way, easements, permits or licenses shall not adversely affect the use or operation of the Project or the Agency's rights hereunder. The Agency agrees, at the sole cost and expense of the Corporation, to execute and deliver any and all instruments necessary or appropriate to confirm and grant any such right-of-way or easement or any such permit or license and to release the same from the leasehold estate of this Corporation Project Lease provided that such instruments shall not impose any obligation or liability upon the Agency.

Section 6.4 Discharge of Liens.

(a) If any lien, encumbrance or charge is filed or asserted, or any judgment, decree, order, levy or process of any court or governmental body is entered, made or issued or

any claim (such liens, encumbrances, charges, judgments, decrees, orders, levies, processes and claims being herein collectively called “Liens”), whether or not valid, is made against the Project or any part thereof or the interest therein of the Agency or against any of the rentals or other amounts payable under this Corporation Project Lease or the interest of the Corporation under this Corporation Project Lease other than Liens for Impositions (as defined in Section 4.5) not yet payable, Permitted Encumbrances, or Liens being contested as permitted by Section 6.4(b), the Corporation forthwith upon receipt of notice of the filing, assertion, entry or issuance of such Lien (regardless of the source of such notice) shall give written notice thereof to the Agency and take all action (including the payment of money and/or the securing of a bond) at its own cost and expense as may be necessary or appropriate to obtain the discharge in full thereof and to remove or nullify the basis therefor. Nothing contained in this Corporation Project Lease shall be construed as constituting the express or implied consent to or permission of the Agency for the performance of any labor or services or the furnishing of any materials that would give rise to any Lien against the Agency’s interest in the Project.

(b) The Corporation may at its sole cost and expense contest (after prior written notice to the Agency), by appropriate action conducted in good faith and with due diligence, the amount or validity or application, in whole or in part, of any Lien, if (1) such proceeding shall suspend the execution or enforcement of such Lien against the Project or any part thereof or interest therein, or in this Corporation Project Lease, of the Agency or the Corporation or against any of the rentals or other amounts payable under this Corporation Project Lease, (2) neither the Project nor any interest therein would be in any danger of being sold, forfeited or lost, (3) neither the Corporation nor the Agency would be in any danger of any civil or any criminal liability, other than normal accrual of interest, for failure to comply therewith, and (4) the Corporation shall have furnished such security, if any, as may be required in such proceedings or as may be reasonably requested by the Agency.

Section 6.5 Agency’s Authority; Covenant of Quiet Enjoyment. The Agency covenants and agrees that it has full right and lawful authority to enter into this Corporation Project Lease for the full term hereof, including the right to grant the options to purchase herein contained, and that, subject to the terms and provisions of any Mortgage and Permitted Encumbrances, so long as the Corporation shall pay the rent and all other sums payable by it under this Corporation Project Lease and shall duly observe all the covenants, stipulations and agreements herein contained obligatory upon it and an Event of Default shall not exist hereunder, the Corporation shall have, hold and enjoy, during the term hereof and to the extent of the Agency’s interests in the Project under the Corporation Lease, peaceful, quiet and undisputed possession of the Project, and the Agency (at the sole cost and expense of the Corporation) shall from time to time take all necessary action to that end, subject to Permitted Encumbrances.

Section 6.6 No Warranty of Condition or Suitability. THE AGENCY HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, FITNESS, DESIGN, OPERATION OR WORKMANSHIP OF ANY PART OF THE PROJECT, ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE MATERIALS IN THE PROJECT, OR THE SUITABILITY OF THE PROJECT FOR THE PURPOSES OR NEEDS OF THE CORPORATION. THE CORPORATION ACKNOWLEDGES THAT THE AGENCY IS NOT THE MANUFACTURER OF ANY

PORTION OF THE EQUIPMENT TO BE INCORPORATED INTO THE PROJECT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN. THE CORPORATION IS SATISFIED THAT THE PROJECT IS SUITABLE AND FIT FOR ITS PURPOSES. THE AGENCY SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER TO THE CORPORATION OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PROPERTY OF THE PROJECT OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED.

Section 6.7 No-Default Certificates. The Corporation shall promptly notify the Agency of the occurrence of any Event of Default or any event which with notice and/or lapse of time would constitute an Event of Default under any Project Document of which the Corporation has knowledge. Any notice required to be given pursuant to this Section shall be signed by an Authorized Representative of the Corporation and set forth a description of the default and the steps, if any, being taken to cure said default. If no steps have been taken, the Corporation shall state this fact in the notice.

Section 6.8 Further Assurances. The Corporation will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such further acts, instruments, conveyances, transfers and assurances, including Uniform Commercial Code financing statements, at the sole cost and expense of the Corporation, as the Agency deems reasonably necessary or advisable for the implementation, effectuation, correction, confirmation or perfection of this Corporation Project Lease and any rights of the Agency hereunder or under the Mortgage.

Section 6.9 Recording and Filing. The Agency, at the cost and expense of the Corporation, shall record or cause a title company to record this Corporation Project Lease (or a memorandum thereof), along with the Corporation Lease (or a memorandum thereof) in the appropriate office of the County Clerk of Rockland County, New York.

Section 6.10 Employment Information, Equal Employment Opportunities, and Guidelines.

(a) By October 1 of each year, the Corporation shall submit to the Agency an employment report relating to the period commencing July 1 of the previous year and ending June 30 of the year of the obligation of the filing of such report. This employment report shall be in the form required by the Agency or the State and certified as to accuracy by the chief financial or accounting officer of the Corporation.

(b) The Corporation shall ensure that all employees and applicants for employment with regard to the Project are afforded equal employment opportunities without discrimination and shall comply with New York General Municipal Law §858-b.

(c) Except as is otherwise provided by collective bargaining contracts or agreements, new employment opportunities created as a result of the Project (whether by the Corporation or any other occupant of the Project) shall be listed by the Corporation or, if applicable, by such other occupant with the New York State Department of Labor Community Services Division, and with the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. No. 97-300) in which the Project is located. Except as is otherwise provided by collective bargaining contracts or agreements, the Corporation agrees, and shall cause any other occupant of the Project to agree, where practicable, to first consider persons eligible to participate in the Federal Job Training Partnership (P.L. No. 97-300) programs who shall be referred by administrative entities of service delivery areas created pursuant to such act or by the Community Services Division of the New York State Department of Labor for such new employment opportunities.

(d) The Corporation (on behalf of itself) hereby authorizes any private or governmental entity, including but not limited to the New York State Department of Labor (“DOL”), to release to the Agency, and/or to its successors and assigns (collectively, the “Information Recipients”), any and all employment information under its control and pertinent to the Corporation and the employees of the Corporation to enable the Agency to comply with its reporting requirements required by any applicable laws, rules or regulations. In addition, upon the Agency’s written request, the Corporation shall provide to the Agency any employment information in the possession of the Corporation which is pertinent to the Corporation and the employees of the Corporation to enable the Agency to comply with any reporting requirements required by applicable laws, rules or regulations. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by the Corporation, or any information previously released as provided by all or any of the foregoing parties (collectively, “Employment Information”) may be disclosed by the Information Recipients in connection with the administration of the programs of the Agency, and/or its successors and assigns, as may be necessary to comply with law; and, without limiting the foregoing, the Employment Information may be included in (x) reports prepared by the Information Recipients, (y) other reports required of the Agency, and (z) any other reports required by law. This authorization shall remain in effect throughout the term of this Corporation Project Lease.

(e) Nothing in this Section shall be construed to require the Corporation to violate any existing collective bargaining agreement with respect to hiring new employees.

(f) The Corporation shall comply with New York State Labor Law Article 8, Section 220 et seq. regarding prevailing wages during the term of this Lease. All contracts and contractor’s bonds, if required, shall include a provision to guarantee the faithful performance under New York State Labor Law Article 8, Section 220 et seq. regarding prevailing wages.

Section 6.11 Local Construction Labor Policy. The Corporation shall be obligated to comply with the Agency’s Local Construction Labor Policy, which is attached hereto as Appendix I-1.

Section 6.12 Prevailing Wage Policy. The Corporation shall comply with the Agency’s Prevailing Wage Policy, which is attached hereto as Appendix I-2. Concurrently with

the execution of this Corporation Project Lease, the Corporation shall submit a completed Availability Of Public Funds Worksheet as set forth in Appendix I-2. The Corporation represents on behalf of itself that the Project is not a Covered Project. The Corporation has delivered to the Agency the materials and documentation required in Appendix I-2 if the Corporation has determined that the Project is not a Covered Project. If future events cause the conclusion to no longer be valid, the Corporation agrees that it will not accept any public funds benefits that would result in the public funds benefits received equaling or exceeding 30% of the Project Construction Costs. If such threshold is exceeded, the Corporation shall return to the Agency for reimbursement to the affected taxing jurisdictions such amounts as the Agency in its sole determination determines to be sufficient to compensate the affected taxing jurisdictions for lost revenues, plus interest at rates equaling rates for overdue real property taxes, plus the Agency's and the affected taxing jurisdictions' costs of collection and enforcement, including related counsel fees.

Section 6.13 Administration of Compliance With Labor Requirements. The Agency retains a third party consultant (the "Labor Compliance Monitor") to represent the Agency in monitoring Corporation compliance with provisions of applicable labor policies required by this Corporation Project Lease. The Corporation agrees to allow the Labor Compliance Monitor access to inspect labor staffing at the Project site during business hours, without prior notice, subject to site access and safety protocols which may not be used by the Company to unreasonably restrict access. The Corporation further agrees to make such construction labor employment records available to the Labor Compliance Monitor in such format as the Labor Compliance Monitor reasonably requests. The fees and expenses of the Labor Compliance Monitor for performing these services shall be payable by the Corporation directly to the Labor Compliance Monitor.

Section 6.14 Additional Representations, Certification and Indemnification. The Corporation has agreed to certain representations, certification and indemnification in its application as submitted to the Agency, as amended. Such representations, certification and indemnification are set forth in Appendix J and made a part of this Corporation Project Lease.

Section 6.15 Cooperation With State Reporting Requirement. The Agency is subject to periodic reporting requirements with applicable State agencies and officials. Such requirements may include, among other things, information concerning the Corporation or the Project, including, without limitation, information on tax benefits claimed and job creation. The Corporation agrees to promptly comply with all requests made by the Agency for purposes of complying with such reporting and information requirements required by any applicable laws, rules or regulations.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.1 Events of Default. Any one or more of the following events shall constitute an “Event of Default” hereunder:

(a) Failure of the Corporation to pay any rental that has become due and payable by the terms of Section 3.3 and continuance of such failure for a period of fifteen (15) business days after receipt by the Corporation of written notice thereof;

(b) Failure of the Corporation to pay any amount (except the obligation to pay rent under Section 3.3) that has become due and payable or to observe and perform any covenant, condition or agreement on its part to be performed under Sections 4.3, 4.4 or 4.6 (other than the obligation to maintain insurance coverage) hereof and continuance of such failure for a period of thirty (30) days after receipt by the Corporation of written notice specifying the nature of such default from the Agency;

(c) Failure of the Corporation to observe and perform any covenant, condition or agreement hereunder on its part to be performed (except as set forth in Section 7.1(a), (b) or (f)) and (1) continuance of such failure for a period of sixty (60) days after receipt by the Corporation of written notice specifying the nature of such default from the Agency; or (2) if by reason of the nature of such default the same can be remedied, but not within the said sixty (60) days, the Corporation fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue with reasonable diligence its efforts to cure the same;

(d) The Corporation shall (i) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (ii) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (vi) take any action for the purpose of effecting any of the foregoing, or (vii) be adjudicated a bankrupt or insolvent by any court;

(e) A proceeding or case shall be commenced, without the application or consent of the Corporation in any court of competent jurisdiction, seeking, (i) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (ii) the appointment of a trustee, receiver, liquidator, custodian or the like of the Corporation or of all or any substantial part of its assets, (iii) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against the Corporation shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (iv) the Corporation shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code or any order for relief against the Corporation

shall be entered in an involuntary case under such Bankruptcy Code; the terms “dissolution” or “liquidation” of the Corporation as used above shall not be construed to prohibit any action otherwise permitted by Section 6.1;

(f) Any representation or warranty made by or on behalf of the Corporation in the Application, commitment letter and related materials submitted to the Agency for approval of the Project, or by the Corporation herein or in any of the other Project Documents delivered to the Agency, or in any report, certificate, financial statement or other instrument furnished pursuant hereto or any of the foregoing shall prove to be false, misleading or incorrect in any material respect as of the date made;

(g) An “Event of Default” under any Project Document shall occur and be continuing beyond the expiration of any applicable notice and cure period;

(h) [RESERVED]

(i) A termination of the Corporation Lease shall occur other than such termination pursuant to Section 8.2 hereof;

(j) Failure of the Corporation to maintain the insurance coverage required under Section 4.7 or to continuously operate or cause the Project to be operated in accordance with Section 4.6; and

(k) Failure to pay any amount due pursuant to Section 8.3 within 30 days after the due date.

Section 7.2 Remedies on Default. Whenever any Event of Default referred to in Section 7.1 shall have occurred and be continuing, the Agency may take any one or more of the following remedial steps:

(a) The Agency may send to the Corporation a notice stating that this Corporation Project Lease shall terminate on a date certain, which date shall not be less than ten (10) business days after the date of such notice, in which event this Corporation Project Lease shall expire and terminate on the date set forth in such notice as if such date were the herein stated expiration date of this Corporation Project Lease, provided that the Agency shall, on or about the date on which this Corporation Project Lease terminates, convey all of the Agency’s right, title and interest in the Project to the Corporation, which the Agency may accomplish by delivering notice of termination of the Corporation Lease, and the Corporation hereby waives delivery and acceptance of such notice of termination as a condition to its validity, and appoints the Agency its true and lawful agent and attorney-in-fact (which appointment shall be deemed to be an agency coupled with an interest) with full power of substitution to file on its behalf all affidavits, questionnaires and other documentation necessary to accomplish the recording of such termination of Corporation Lease; provided further, however, that the Agency is only required to make such conveyance if the Corporation has paid all amounts payable to the Agency hereunder as of the date of termination;

(b) The Agency may bring an action for injunction or specific performance;

(c) The Agency may take whatever action at law or in equity as may appear necessary or desirable to collect the rental payments then due, or to enforce performance or observance of any obligations, agreements or covenants of the Corporation under this Corporation Project Lease; or

(d) The Agency may take whatever action at law or in equity as may appear necessary or desirable to collect as damages the amount payable pursuant to Section 8.3 of this Corporation Project Lease.

Section 7.3 Remedies Cumulative. The rights and remedies of the Agency under this Corporation Project Lease shall be cumulative and shall not exclude any other rights and remedies of the Agency allowed by law with respect to any default under this Corporation Project Lease. Failure by the Agency to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon default by the Corporation hereunder shall not be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce by mandatory injunction, specific performance or other appropriate legal remedy a strict compliance by the Corporation with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such default by the Corporation be continued or repeated, or of the right to recover possession of the Project by reason thereof.

Section 7.4 No Additional Waiver Implied by One Waiver. In the event any covenant or agreement contained in this Corporation Project Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be binding unless it is in writing and signed by the party making such waiver. No course of dealing between the Agency and the Corporation or any delay or omission on the part of the Agency in exercising any rights hereunder or under any other Project Document shall operate as a waiver. To the extent permitted by applicable law, the Corporation hereby waives the benefit and advantage of, and covenants not to assert against the Agency, any valuation, inquisition, stay, appraisal, extension or redemption laws now existing or which may hereafter exist which, but for this provision, might be applicable to any sale or reletting made under the judgment, order or decree of any court or under the powers of sale and reletting conferred by this Corporation Project Lease or otherwise.

Section 7.5 Effect on Discontinuance of Proceedings. In case any proceeding taken by the Agency under or this Corporation Project Lease or under any other Project Document on account of any Event of Default hereunder shall have been discontinued or abandoned for any reason, then, and in every such case, the Agency shall be restored, to its former positions and rights hereunder and thereunder.

Section 7.6 Agreement to Pay Attorneys' Fees and Expenses. In the event of the occurrence of an Event of Default, and the Agency should employ attorneys or incur other expenses for the collection of rentals or other amounts payable hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Corporation herein contained, the Corporation agrees that it will on demand therefor pay to the Agency the reasonable fees and disbursements of such attorneys and such other expenses so incurred.

ARTICLE VIII

OPTIONS; OPTION TO PURCHASE AGENCY'S INTEREST IN PROJECT

Section 8.1 Corporation's Option to Purchase Agency's Interest In Project and to Terminate Corporation Project Lease.

(a) The Corporation shall have the option to purchase the Agency's interest in the Project and to terminate this Corporation Project Lease on any date during the term hereof by paying all Rental Payments due (other than rent not yet accrued under Section 3.3(a)) hereunder through and including the date of termination, regardless of whether there shall then be in existence an Event of Default. The Corporation shall exercise such option by delivering to the Agency and each Lender a written notice of an Authorized Representative of the Corporation stating that the Corporation has elected to exercise its option under this Section and the date on which such purchase and termination is to be made. In addition, the Corporation shall purchase the Agency's interest in the Project on the scheduled expiration date of this Corporation Project Lease or any earlier termination of the term of this Corporation Project Lease by paying on such date any and all Rental Payments then due hereunder.

(b) The Corporation, in purchasing the Agency's interest in the Project and terminating this Corporation Project Lease pursuant to Section 8.1(a), shall pay to the Agency, as the purchase price, in legal tender, an amount equal to (i) all Rental Payments then having accrued or become due hereunder, plus (ii) the amount payable pursuant to Section 8.3 of this Corporation Project Lease, plus (iii) all amounts then having accrued or become payable under the PILOT Agreement (including Reimbursement Amounts as defined therein), plus (iv) all amounts that may become due under the Sales Tax Agreement (including Reimbursement Amounts as defined therein), plus (v) one dollar (\$1.00).

(c) Except in connection with a Permitted Encumbrance, the Corporation shall not, at any time, assign or transfer its option to purchase the Agency's interest in the Project as contained in this Section separate and apart from an assignment of this Corporation Project Lease without the prior written consent of the Agency.

Section 8.2 Termination of Corporation Lease on Exercise of Option to Purchase. At the closing of any purchase of the Agency's interest in the Project pursuant to Section 8.1, the Agency shall, upon payment of the purchase price, deliver or cause to be delivered to the Corporation (i) an acknowledgment of termination of the Corporation Lease and all other necessary documents conveying to the Corporation all of the Agency's right, title and interest in and to the Project and terminating this Corporation Project Lease, and (ii) all necessary documents releasing and conveying to the Corporation all of the Agency's rights and interests in and to any rights of action (other than as against the Corporation or any insurer of the insurance policies under Section 4.7(a)), or any insurance proceeds (other than liability insurance proceeds for the benefit of the Agency) or condemnation awards, with respect to the Project or any portion thereof.

Upon termination of the Agency's interest in the Project pursuant to this Section or pursuant to Section 8.2, this Corporation Project Lease and all obligations of the Corporation

hereunder shall be terminated except the obligations of the Corporation which are expressly stated to survive, and all obligations of the Corporation accruing prior to the date of such termination, shall survive such termination.

Section 8.3 Reimbursement of Agency Benefits.

(a) It is understood and agreed by the parties to this Corporation Project Lease that the Agency is entering into this Corporation Project Lease in order to provide Financial Assistance to the Corporation for the Project and to accomplish the public purposes of the Act. In consideration therefor, the Corporation hereby agrees that if a Reimbursement Event (as defined below) occurs, the Corporation shall pay to the Agency as a return of public benefits conferred by the Agency the following amounts.

(i) one hundred percent (100%) of the Mortgage Recording Tax Savings if the Reimbursement Event occurs within the first four (4) years after the Commencement Date;

(ii) eighty percent (80%) of the Mortgage Recording Tax Savings if the Reimbursement Event occurs during the 5th or 6th year after the Commencement Date;

(iii) sixty percent (60%) of the Mortgage Recording Tax Savings if the Reimbursement Event occurs during the 7th or 8th year after the Commencement Date;

(iv) forty percent (40%) of the Mortgage Recording Tax Savings if the Reimbursement Event occurs during the 9th year after the Commencement Date; and

(v) zero percent (0%) of the Mortgage Recording Tax Savings if the Reimbursement Event occurs during the 10th year or thereafter after the Commencement Date.

(b) The Sales Tax Exemption Agreement and the PILOT Agreement will govern the amount of benefits that are required to be reimbursed by the Corporation if a Reimbursement Event occurs.

(c) “Reimbursement Event” shall mean any of the following events:

(i) The Corporation shall have liquidated all or substantially all of its operations or assets at the Realty Portion (absent a showing of extreme hardship as determined by the Agency in its reasonable discretion);

(ii) The Corporation or Schreiner shall have ceased all or substantially all of its operations at the Project (whether by relocation to another facility, or otherwise, or whether to another location either within, or outside of the County);

(iii) The Corporation or Schreiner shall have transferred all or substantially all of its employees to a location outside of the County;

(iv) The Corporation shall have effected a substantial change in the scope and nature of the operations at the Project, as determined by the Agency in its reasonable discretion;

(v) The Corporation shall have subleased all or any portion of the Project in violation of the limitations imposed by Section 9.2, without the prior written consent of the Agency;

(vi) The Corporation shall have sold, leased, transferred or otherwise disposed of all or substantially all of its interest in the Project, except (i) in connection with a transfer or other disposition to any corporation or other entity into or with which the Corporation may be merged or consolidated or to any corporation or other entity which shall be an affiliate, subsidiary, parent or successor of the Corporation or (ii) as permitted under Section 9.2;

(vii) An Event of Default shall have occurred; or

(viii) The Corporation shall have terminated this Project Lease Agreement in accordance with Section 8.1 or Section 8.2.

Notwithstanding the foregoing, a Reimbursement Event shall not be deemed to have occurred if the Reimbursement Event shall have arisen as a direct, immediate result of (i) a taking or condemnation by governmental authority of all or substantially all of the Project, or (ii) the inability at law of the Corporation to rebuild, repair, restore or replace the Project after the occurrence of a Loss Event to substantially its condition prior to such Loss Event, which inability shall have arisen in good faith through no fault on the part of the Corporation or any Affiliate.

(d) The Corporation, upon obtaining knowledge thereof, covenants and agrees to furnish the Agency with written notification upon any Reimbursement Event or disposition of the Project or any portion thereof during the term of this Corporation Project Lease, which notification shall set forth the terms of such Reimbursement Event or disposition.

(e) The Agency, in its sole discretion, may waive all or any portion of any payment owing by the Corporation under this Section.

(f) The Corporation covenants and agrees to furnish the Agency with written notification upon any such disposition of the Project or any portion thereof made within ten (10) years of its completion, which notification shall set forth the terms of such sale.

(g) The provisions of this Section shall survive the termination of this Corporation Project Lease for any reason whatsoever, notwithstanding any provision of this Corporation Project Lease to the contrary.

Section 8.4 Agency Termination Fee. If a Reimbursement Event occurs, the Corporation shall pay to the Agency a sum equal to \$5,000.

ARTICLE IX MISCELLANEOUS

Section 9.1 Force Majeure. In case by reason of force majeure either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Corporation Project Lease, then except as otherwise expressly provided in this Corporation Project Lease, if such party shall give notice and full particulars of such force majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied on, the obligations of the party giving such notice (other than the obligations of the Corporation to make the Rental Payments or other payments required under the terms hereof, or to comply with Sections 4.6 or 6.2), so far as they are affected by such force majeure, shall be suspended during the continuance of the inability then claimed which shall include a reasonable time for the removal of the effect thereof, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure", as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or of the State or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrest, restraining of government and people, civil disturbances, explosions, partial or entire failure of utilities, shortages of labor, material, supplies or transportation, or any other similar or different cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of existing or impending strikes, lockouts or other industrial disturbances shall be entirely within the discretion of the party having the difficulty and that the above requirements that any force majeure shall be reasonably beyond the control of the party and shall be remedied with all reasonable dispatch shall be deemed to be fulfilled even though such existing or impending strikes, lockouts and other industrial disturbances may not be settled but could have been settled by acceding to the demands of the opposing person or persons.

Section 9.2 Assignment or Sublease. The Corporation may not at any time assign or transfer this Corporation Project Lease, or sublet the whole or any part of the Project without the prior written consent of the Agency (which consent may be withheld in the absolute discretion of the Agency), except pursuant to the Permitted Encumbrances, except the Corporation may, without the consent of the Agency assign said leases to a Lender in the ordinary course of business; provided further, that if the Agency consents to any such assignment, transfer or subletting, (1) the Corporation shall nevertheless remain liable to the Agency for the payment of all rent and for the full performance of all of the terms, covenants and conditions of this Corporation Project Lease and of any other Project Document to which it shall be a party, (2) any assignee or transferee of the Corporation in whole of the Project shall have assumed in writing and have agreed to keep and perform all of the terms of this Corporation Project Lease on the part of the Corporation to be kept and performed, shall be jointly and severally liable with the Corporation for the performance thereof, shall be subject to service of process in the State, and, if a corporation, shall be qualified to do business in the State, (3) in the opinion of counsel, such assignment, transfer or sublease shall not legally impair in any respect the obligations of the Corporation for the payment of all rents nor for the full performance of all of the terms, covenants and conditions of this Corporation Project Lease or of any other Project Document to which the Corporation shall be a party, nor impair or limit in any respect the obligations of any obligor under any other Project Document, (4) any assignee, transferee or

sublessee shall utilize the Project as a qualified “project” within the meaning of the Act, (5) such assignment, transfer or sublease shall not violate any provision of this Corporation Project Lease or any other Project Document, (6) such assignment, transfer or sublease shall in no way diminish or impair the Corporation’s obligation to carry the insurance required under Section 4.7 of this Corporation Project Lease and the Corporation shall furnish written evidence satisfactory to the Agency that such insurance coverage shall in no manner be limited by reason of such assignment, transfer or sublease, (7) each such assignment, transfer or sublease contains such other provisions as the Agency may reasonably require, and (8) with respect to any assignment of this Corporation Project Lease, there shall be paid to the Agency a fee in accordance with the Agency’s policies and procedures then in effect. The Corporation shall furnish or cause to be furnished to the Agency a copy of any such assignment, transfer or sublease in substantially final form at least twenty (20) days prior to the date of execution thereof.

Any consent by the Agency to any act of assignment, transfer or sublease shall be held to apply only to the specific transaction thereby authorized. Such consent shall not be construed as a waiver of the duty of the Corporation, or the successors or assigns of the Corporation, to obtain from the Agency consents to any other or subsequent assignment, transfer or sublease, or as modifying or limiting the rights of the Agency under the foregoing covenant by the Corporation.

If the Project or any part thereof be sublet or occupied by any Person other than the Corporation, Schreiner or any of their Affiliates, the Agency, in the event of the Corporation’s default in the payment of rent may, and is hereby empowered to, and the Corporation hereby grants the Agency an irrevocable power of attorney (coupled with an interest) to, collect rent from the under-tenant or occupant during the continuance of any such default. In either of such events, the Agency may apply the net amount received by it to the rent herein provided, and no such collection shall be deemed a waiver of the covenant herein against assignment, transfer or sublease of this Corporation Project Lease, or constitute the acceptance of the under-tenant or occupant as tenant, or a release of the Corporation from the further performance of the covenants herein contained on the part of the Corporation.

Notwithstanding the foregoing or anything to the contrary in this Corporation Project Lease, at any time during the term of this Corporation Project Lease, the Corporation may, upon reasonable prior written notice to the Agency, without the consent of the Agency, (a) assign this Corporation Project Lease and the other Project Document to which it is a party to a Permitted Transferee, provided (i) at the time of any proposed assignment that an Event of Default has not occurred and is continuing, (ii) such Permitted Transferee assumes and agrees to be bound by this Corporation Project Lease and the other Project Documents (regardless of whether the Permitted Transferee is a party to other Project Documents). In the event this Corporation Project Lease and any other Project Document are assigned to a Permitted Transferee, the Corporation shall have no further obligations hereunder or thereunder that accrue on or after the date of such assignment. In connection with the foregoing, the Corporation shall have the absolute right at any time, upon reasonable prior written notice to the Agency, without the consent of the Agency, to: (a) sell, convey, transfer, encumber or otherwise dispose of the Project or any part thereof to any Permitted Transferee, (b) grant an easement, subeasement, license or security interest in, or otherwise transfer all or any portion of its right, title or interest in the Project to any person or entity. Further, notwithstanding anything to the contrary in this

Corporation Project Lease, nothing in this Corporation Project Lease shall prevent, restrict or limit in any way the right of any shareholder of the Corporation to sell, convey, transfer, encumber or otherwise dispose of its interest(s) in the Corporation (or a portion thereof) to one or more persons without the consent of the Agency, provided such transferee is a Permitted Transferee.

Section 9.3 Amendments. This Corporation Project Lease may be amended only in writing by the parties hereto.

Section 9.4 Notices. All notices, certificates or other communications hereunder shall be sufficient if sent by registered or certified United States mail, postage prepaid, addressed as follows:

- (a) if to the Agency:

County of Rockland Industrial Development Agency
254 South Main Street, Suite 410
New City, New York 10956
Attention: Executive Director

With a copy to:

Hawkins Delafield & Wood LLP
140 Broadway, 42nd Floor
New York, New York 10005
Attn: Daniel G. Birmingham

- (b) if to the Corporation:

Schreiner Real Estate Inc.
300 Corporate Drive, Suite 10
Blauvelt, New York 10913
Attn: Holger Ziegler

With a copy to:

Barclay Damon LLP
125 East Jefferson Street
Syracuse, New York 13202
Attn: Matthew S. Moses, Esq.

A copy of all notices delivered pursuant to this Section shall simultaneously be delivered to Schreiner as follows:

Schreiner Group LP
300 Corporate Drive, Suite 10
Blauvelt, New York 10913

Attn: Holger Ziegler

With a copy to:

Barclay Damon LLP
125 East Jefferson Street
Syracuse, New York 13202
Attn: Matthew S. Moses, Esq.

Any notice, certificate or other communication hereunder shall, except as may expressly be provided herein, be deemed to have been delivered or given as of the date it shall have been mailed.

Any of the persons mentioned above to whom notice may be given may, by notice given hereunder, designate any further or different addresses to which, or the manner by which, subsequent notices, certificates or other communications shall be sent. Notices may also be given in compliance with this Corporation Project Lease by telecopy or other electronic means of delivery (e.g. electronic mail), provided that receipt of any such telecopy or other electronic transmission is or can be confirmed by the transmitting party.

Section 9.5 Prior Agreements Superseded. This Corporation Project Lease, together with the Project Documents, shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the Agency and the Corporation relating to the Project.

Section 9.6 Severability. If any clause, provision or section of this Corporation Project Lease be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions hereof.

Section 9.7 Inspection of Premises. The Corporation will permit the Agency, or its duly authorized agent, at all reasonable times upon reasonable prior notice to enter upon the Premises but solely for the purpose of assuring that the Corporation is operating the Premises as a qualified "project" under the Act consistent with the purposes set forth in the recitals to this Corporation Project Lease and with the public purposes of the Agency, and not for any purpose of assuring the proper maintenance or repair of the Premises as such latter obligation is and shall remain solely the obligation of the Corporation; and further provided that any such inspection does not unreasonably interfere with the usual operations of the Corporation.

Section 9.8 Effective Date; Counterparts. This Corporation Project Lease shall become effective upon its delivery. It may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.9 Binding Effect. This Corporation Project Lease shall inure to the benefit of, and shall be binding upon, the Agency, the Corporation and their respective successors and assigns.

Section 9.10 Net Lease. It is the intention of the parties hereto that this Corporation Project Lease be a "net lease" and that this Corporation Project Lease shall be construed to effect such intent.

Section 9.11 Law Governing. This Corporation Project Lease shall be governed by, and construed in accordance with, the laws of the State without giving effect to its choice of law principles.

Section 9.12 Waiver of Trial by Jury. The parties do hereby expressly waive all rights to trial by jury on any cause of action directly or indirectly involving the terms, covenants or conditions of this Corporation Project Lease or the Project or any matters whatsoever arising out of or in any way connected with this Corporation Project Lease.

The provision of this Corporation Project Lease relating to waiver of a jury trial and the right of re-entry or re-possession shall survive the termination or expiration of this Corporation Project Lease.

Section 9.13 Non-Discrimination. (a) At all times during the construction, maintenance and operation of the Project, the Corporation shall not discriminate against any employee or applicant for employment because of race, color, creed, age, sex or national origin. The Corporation shall use its best efforts to ensure that employees and applicants for employment with the Corporation or any subtenant of the Project are treated without regard to their race, color, creed, age, sex or national origin. As used herein, the term “treated” shall mean and include, without limitation, the following: recruited, whether by advertising or other means; compensated, whether in the form of rates of pay or other forms of compensation; selected for training, including apprenticeship; promoted; upgraded; downgraded; demoted; transferred; laid off; and terminated.

(a) The Corporation shall, in all solicitations or advertisements for employees placed by or on behalf of the Corporation, state that all qualified applicants will be considered for employment without regard to race, color, creed; national origin, age or sex.

(b) The Corporation shall furnish to the Agency all information required by the Agency pursuant to this Section and will cooperate with the Agency for the purposes of investigation to ascertain compliance with this Section.

Section 9.14 No Recourse under this Corporation Project Lease. All covenants, stipulations, promises, agreements and obligations of the Agency contained in this Corporation Project Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency, and not of any member, director, officer, employee or agent of the Agency in its individual capacity, and no recourse shall be had for any claim based thereon or hereunder against any member, director, officer, employee or agent of the Agency or any natural person executing this Corporation Project Lease on behalf of the Agency nor to any assets of the Agency other than the Project. In addition, in the performance of the agreements of the Agency herein contained, any obligation the Agency may incur for the payment of money shall not create a debt of the State or the County and neither the State nor the County shall be liable on any obligation so incurred, and such obligation shall be payable solely out of amounts payable to the Agency by the Corporation hereunder.

Section 9.15 Limitation on Liability of the Agency, the State and the County. The liability of the Agency to the Corporation under this Corporation Project Lease shall be enforceable only out of, and limited to, the Agency’s interest in the Project. There shall be no other recourse against the Agency, its members, directors, officers, agents, servants and employees and Persons under the Agency’s control or supervision, past, present or future, or against any of the property now or hereafter owned by it or them. Any obligation the Agency may incur for the payment of money in the performance of this Corporation Project Lease shall not create a debt of the State or of the County, and neither the State nor the County shall be liable on any obligation so incurred. Any such obligation shall be payable solely out of any rents or other proceeds or funds derived from this Corporation Project Lease. All obligations of the Agency under this Corporation Project Lease shall be deemed to be the obligations of the

Agency, and not of any member, director, officer, servant, employee or agent of the Agency or Person under the Agency's control or supervision, past, present or future, in his individual capacity. No recourse shall be had against any such Persons, for any claim against the Agency arising under this Corporation Project Lease.

Section 9.16 Date of Corporation Project Lease for Reference Purposes Only.

The date of this Corporation Project Lease shall be for reference purposes only and shall not be construed to imply that this Corporation Project Lease was executed on the date first above written.

IN WITNESS WHEREOF, the Agency has caused its corporate name to be hereunto subscribed by its duly authorized Executive Director and the Corporation has caused its name to be subscribed hereto by its duly authorized officers, all being done as of the year and day first above written.

COUNTY OF ROCKLAND INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Name: Steven Porath
Title: Executive Director

SCHREINER REAL ESTATE INC.


By: _____

Name: Ken Forlenza
Title: Authorized Representative

[signature page to the Corporation Project Lease Agreement]

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

On the 1st day of April, in the year two thousand twenty-five before me, the undersigned, a Notary Public in and from said State, personally appeared **STEVEN PORATH**, 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 the behalf of whom the individual acted, executed the instrument.


Notary Public



IN WITNESS WHEREOF, the Agency has caused its corporate name to be hereunto subscribed by its duly authorized Executive Director and the Corporation has caused its name to be subscribed hereto by its duly authorized officers, all being done as of the year and day first above written.

COUNTY OF ROCKLAND INDUSTRIAL
DEVELOPMENT AGENCY

By _____
Name: Steven Porath
Title: Executive Director

SCHREINER REAL ESTATE INC.

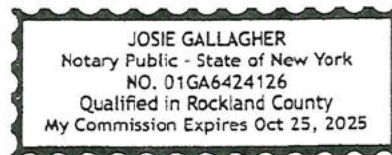
By _____
Name: Kenneth Forlenza
Title: Authorized Representative

[signature page to the Corporation Project Lease Agreement]

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

On the 2 day of April, in the year two thousand twenty-five before me, the undersigned, a Notary Public in and from said State, personally appeared **KENNETH FORLENZA**, 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 the behalf of whom the individual acted, executed the instrument.

Notary Public



APPENDICES

APPENDIX A

DESCRIPTION OF PREMISES

SCHEDULE A – DESCRIPTION

ALL that certain plot, piece or parcel of land, situate, lying and being in the Village of Chestnut Ridge, Town of Ramapo, County of Rockland and State of New York, and being more particularly bounded and described as follows:

BEGINNING at a point in the easterly line of Red Schoolhouse Road a/k/a Schoolhouse Road (as widened to 40.00 feet from the center line) where the same is intersected by the division line between lands now or formerly of Ramapo Development Associates on the north and lands now or formerly of Sussex Industries, Ltd. on the south;

RUNNING THENCE south 86 degrees 43 minutes 20 seconds east 380.62 feet along the same to a point;

THENCE south 03 degrees 16 minutes 40 seconds west, 230.00 feet along the easterly line of Sussex Industries, Ltd. to a point;

THENCE south 86 degrees 43 minutes 20 seconds east, 368.55 feet along the northerly line of lands now or formerly of Franz M. Vetter to the point or place of BEGINNING of the property intended to be described herein;

RUNNING THENCE south 87 degrees 09 minutes 20 seconds east, 260.32 feet (Deed: 260.30 feet) to a point;

THENCE south 85 degrees 45 minutes 50 seconds east, 275.49 feet to a point;

THENCE south 04 degrees 14 minutes 10 seconds west, 395.99 feet to a point in the westerly line of the New York State Thruway;

THENCE south 30 degrees 56 minutes 00 seconds west, 42.65 feet along the same to the northerly line of lands now or formerly of Laneier;

THENCE north 85 degrees 45 minutes 50 seconds west, 511.39 feet along the lands of Laneier to a point in the easterly line of lands now or formerly of Victor Weingarten;

THENCE north 04 degrees 21 minutes 10 seconds east, 136.58 feet along lands of Weingarten to the southeast corner of lands now or formerly of Franz M. Vetter;

THENCE north 03 degrees 09 minutes 57 seconds east, 291.35 feet (Deed: 291.25 feet) along lands of Vetter to the point or place of BEGINNING.

TOGETHER WITH a Reciprocal Parking and Emergency Access Easement burdening and benefitting Lots # 5 and # 8 recorded on 04/07/2015 in Instrument #2015-9312.

FOR CONVEYANCING ONLY: TOGETHER with all right, title and interest of the party of the first part, of, in and to any streets and roads abutting the above described premises to the center lines thereof.

TOGETHER with a non-exclusive easement for ingress and egress and for the installation, maintenance and use of storm drains, water and sewer lines and utilities over the following described parcel of land:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Village of Chestnut Ridge, Town of Ramapo, County of Rockland and State of New York, and more particularly bounded and described as follows:

BEGINNING at a point in the easterly line of Red Schoolhouse Road a/k/a Schoolhouse Road (as widened to 40.00 feet from the center line) where the same is intersected by the division line between lands now or formerly of Ramapo Development Associates on the north and lands now or formerly of Sussex Industries, Ltd. on the south;

RUNNING THENCE north 03 degrees 16 minutes 40 seconds east, 80.00 feet along the easterly line of Red Schoolhouse Road a/k/a Schoolhouse Road to a point;

THENCE south 86 degrees 43 minutes 20 seconds east 100.00 feet to a point;

THENCE south 70 degrees 35 minutes 57 seconds east (Filed Map and actual south 70 degrees 55 minutes 37 seconds east) per Easement Agreement, 72.03 feet to a point;

THENCE south 86 degrees 43 minutes 20 seconds east, 670.00 feet to a point;

THENCE south 03 degrees 16 minutes 40 seconds west, 60.00 feet to a point;

THENCE westerly, southwesterly and southerly on a curve to the left having a radius of 25.00 feet, an arc distance of 39.27 feet to a point of tangency;

THENCE south 03 degrees 16 minutes 40 seconds west, 204.51 feet to a point;

THENCE north 87 degrees 09 minutes 20 seconds west, 50.00 feet to a point;

THENCE north 03 degrees 16 minutes 40 seconds east, 214.89 feet to a point of curvature;

THENCE northerly, northwesterly and westerly on a curve to the left having a radius of 25.00 feet, an arc distance of 39.27 feet to a point of tangency;

THENCE north 86 degrees 43 minutes 20 seconds west, 358.57 feet to a point;

THENCE south 03 degrees 16 minutes 40 seconds west, 10.00 feet to a point on the northerly line of Sussex Industries, Ltd.;

THENCE north 86 degrees 43 minutes 20 seconds west, 380.62 feet along the same to the point or place of BEGINNING.

FOR CONVEYANCING ONLY: TOGETHER with all right, title and interest of the party of the first part, of, in and to any streets and roads abutting the above described premises to the center lines thereof.

APPENDIX B

ENVIRONMENTAL INDEMNITY AGREEMENT

APPENDIX C

PILOT AGREEMENT

[To be Attached When Available]

APPENDIX D

SALES TAX EXEMPTION AGREEMENT

APPENDIX E

[RESERVED]

APPENDIX F
PROJECT DOCUMENTS

A. Corporation Portion of Project

Corporation Lease Agreement

Corporation Project Lease Agreement

Sales Tax Exemption Agreement

PILOT Agreement [To be executed and delivered when approved.]

PILOT Letter of Credit [To be delivered concurrently with PILOT Agreement]

Environmental Indemnity Agreement

Mortgage [To be delivered upon mortgage financing.]

B. Corporation/Schreiner Agreements

Corporation/Schreiner Lease Agreement

C. Schreiner Portion of Project

Schreiner Lease Agreement

Schreiner Project Lease Agreement

Sales Tax Exemption Agreement

Environmental Indemnity Agreement

APPENDIX G
FORM OF EMPLOYMENT REPORT

FORM OF EMPLOYMENT REPORT

County of Rockland Industrial Development Agency
2025 Annual Employment and Salary Information

I. Job Information:

(Please use the average number of jobs reported on your company's quarterly NYS-45 reports to the NYS Department of Labor.)

1. Average number of Full-Time Employees (FTE) during fiscal year 2025:
_____.
2. Number of new jobs created during 2025: _____.
3. Number of Part-Time Employees* (PTE) employed during 2025: _____.
4. Number of FTE construction jobs created during 2025: _____.

*(*Note: PTE are part-time, permanent, private sector employees on the company's payroll, who have worked at the project facility for a combined minimum of 35 hours per week for not less than four consecutive weeks and who are – or will be - entitled to receive the usual and customary fringe benefits extended by the company to other employees with comparable rank and duties.)*

II. Annual Salary Information:

1. Annualized salary range for new jobs created during 2025:
From \$_____ to \$_____
2. Annualized salary range for jobs retained during 2025:
From \$_____ to \$_____

III. Job Verification:

A copy of the NYS-45 form relating to the project location is **required** to be submitted with this report. If the NYS-45 form is not available for the specific project location, or the form does not accurately reflect the FTE jobs created at the project site, an internal report verifying the total (by employment category) is required with this submission.

Certification: I certify that the above statements and reports are true, complete and correct.

Company: _____

Name: _____

Title: _____

Signature: _____ Date: _____, 2025

Please return the completed form and required reports to the County of Rockland Industrial Development Agency, 254 South Main Street, Suite 410, New City, NY 10956

APPENDIX H

[RESERVED]

EXHIBIT I-1

LOCAL CONSTRUCTION LABOR POLICY

Local Construction Labor Policy

The Agency (the “Agency”) has adopted a Local Construction Labor Policy, effective April 1, 2022, as follows:

A project applicant (the “Company”), as a condition to receiving Financial Assistance (such as, and including a sales tax exemption, mortgage recording tax exemption, real property tax abatement, and/or bond financing) from the County of Rockland Industrial Development Agency (“Agency”), will be required to utilize qualified Local Labor, as defined below, for all projects involving the construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (collectively, the “Project Site”).

Local Labor Defined

Local Labor is defined as individuals residing in the following Counties: Rockland, Orange, Westchester, Putnam, Ulster, Sullivan, and Dutchess (collectively, the “Local Labor Area”).

Local Labor Requirement

At least 80% of the total number of employees working at the Project Site, excluding construction project management, of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively, the “Workers”) working on the Project Site must reside within the Local Labor Area. Companies do not have to be local companies as defined herein but must employ local Workers residing within the Local Labor Area to qualify under the 80% Local Labor criteria.

It is understood that at certain times, Workers residing within the Local Labor Area may not be available with respect to a Project Site. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Labor Requirement (the “Local Labor Waiver Request”) based on the following circumstances: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers; (ii) specialized construction for which qualified Local Labor Area Workers are not available; or (iii) documented lack of Workers meeting the Local Labor Area requirement.

The Agency may require an outside consultant of its choosing be hired by the Company to assist in reviewing any waiver requests that may be submitted. The Agency shall evaluate the Local Labor Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

Local Labor Reporting Requirement

Companies authorized to receive Financial Assistance from the Agency will be required to file or cause to be filed a Local Labor Utilization Report (the “Report”) on such form as made available by the Agency, and as directed by the Agency, which will identify, for each Worker, the city, town, or village and associated zip code in which each such Worker is domiciled. The Report shall be submitted to the Agency, or its designated agents as follows: (i) immediately prior to commencement of construction activities; and (ii) on or by the next following quarterly dates of January 1, April 1, July 1, and October 1 and each quarterly date thereafter through the construction completion date.

The Agency, or its designated agents, shall have the right, during normal business hours, to examine and copy the applicable books and records of the Company and to perform spot checks of all Workers at the Project Site to verify compliance with the Local Labor Requirement throughout the construction period.

Enforcement

If Agency staff determines that: (i) the Local Labor Requirement is not being met; or (ii) upon use of its reasonable discretion, discovers or becomes aware of a compliance issue related to the Local Labor Requirement, then written notice delivered personally or by reliable overnight delivery service (i.e. Federal Express) of said Local Labor Requirement violation (the “Notice of Violation”) shall be provided to the Company.

Within ten (10) business days after the delivery of a Notice of Violation, the Company shall:

- (i) provide written confirmation to the Agency indicating that it has cured the violation and is now in compliance with the Local Labor Requirement; or
- (ii) submit the Local Labor Waiver Request as described above; or
- (iii) confirm in writing its inability to meet the Local Labor Requirement.

If the Company does not respond to the Agency’s Notice of Violation within ten (10) business days thereafter, or if the Company confirms its inability to meet the Local Labor Requirement, then the Agency shall immediately terminate any and all Financial Assistance being provided to the project in accordance with the terms of the underlying agreements between the Agency and the Company with respect to the project. If a Local Labor Waiver Request is submitted and the Agency declines to issue the requested waiver, then the Company shall have ten (10) business days after receipt of the notice of the waiver request denial to provide written confirmation to the Agency indicating that it has cured the violation and is now in compliance with the Local Labor Requirement. If the Agency does not receive such confirmation, the Agency shall then immediately terminate any and all Financial Assistance being provided to the project in accordance with the terms of the underlying agreements between the Agency and the Company with respect to the project.

Escrow

The Agency, in the review or enforcement of its Labor Policy, may refer such matter to such consultants/professionals as it deems necessary to enable it to review or enforce the Labor Policy. The fees for such services shall be paid for by the Company.

At the time of submission of any application, the Agency may require the establishment of an escrow account from which withdrawals shall be made to reimburse the Agency for the costs of professional review services in connection with the Labor Policy.

The sum deposited shall be held by the Agency in a separate account for the benefit of the Company and will be disbursed by the Agency for payment of consultant/professional fees in accordance with the usual requirements of the Agency for the payment of bills.

If such account is not replenished within 30 days after the Company is notified of the requirement for such additional deposit, the Agency may take appropriate action under applicable law and exercise its remedies under the underlying Agency documents, including but not limited to recapture.

After all pertinent charges have been paid, the Agency shall refund to the Company any funds remaining on deposit.

Project Compliance

This Local Construction Labor Policy shall take effect with respect to each project beginning on the day the Agency takes initial official action with respect to a project (such as the adoption by the Agency of an Inducement Resolution). Failure of a Company to comply with the Local Construction Labor Policy on and after such date may result in the Project's ineligibility for Agency benefits, and may be subject to the Project being denied Agency benefits, being subject to rescission of further Agency benefits, or being required to return of all or a portion of Agency benefits previously received.

Miscellaneous

This Labor Policy shall not apply if the Project is subject to prevailing wage requirements pursuant to NYS Labor Law section 224-a, as amended.

This Labor Construction Labor Policy may be amended by the Agency from time to time in a manner that is in accordance with applicable laws, rules and regulations, as modified or amended by local, state and/or federal law.

Consented and Agreed to by:

[Name of Applicant]

Name:

Title:

EXHIBIT I-2

CONSTRUCTION PERIOD PREVAILING WAGE POLICY

Construction Period Prevailing Wage Policy

On January 1, 2022, amendments to the State Labor Law (the “State Prevailing Wage Act”) requiring certain state agencies, including the County of Rockland Industrial Development Agency (the “Agency”), to require beneficiaries of financial assistance to comply with certain prevailing wage requirements if certain threshold criteria are met (the “State Prevailing Wage Requirements”). The Agency has adopted the State Prevailing Wage Requirements as the Agency’s prevailing wage requirements for construction work on projects (and future construction modifications) receiving Agency financial assistance and rescinded any prevailing wage requirements that may previously have been in effect. The Agency policy reflected in the state Prevailing Wage Act will remain effective, regardless of whether the State defers enforcement of the applicable provisions. Statutory amendments to the State Prevailing Wage Act, as well as implementation regulations that may be adopted by the State, shall be incorporated in the Agency’s Construction Period Prevailing Wage Policy upon the applicable effective dates specified in such amendments or regulations.

The Agency requires companies receiving financial assistance from the Agency to comply with the provisions of the State Prevailing Wage Act. Following is a brief summary of the State Prevailing Wage Requirements, including thresholds below which the requirements do not apply. The full text of the State Prevailing Wage Act is included following the summary.

Prevailing Wage Requirement Applies Only to Covered Projects

The requirements to pay prevailing wages applies only to “Covered Projects”. A project is a Covered Project only if all of the following criteria are met:

- (a) the construction work being considered must be done under contract;
- (b) such construction work must be paid for in whole or in part out of public funds;
- (c) the amount of all such public funds, when aggregated, must be at least thirty percent of such total construction costs; and
- (d) total construction project costs must exceed \$5 million.

Certain exclusions from the term “Covered Projects” are identified in the text of the State Prevailing Wage Act attached hereto. Two notable exceptions are (1) certain types of projects, such as brownfields, affordable housing, historic preservation, small renewable energy projects

and others and (2) construction work performed under a pre-hire collective bargaining agreement between an owner or contractor and a bona fide building and construction trade labor organization that satisfies certain criteria.

The phrase “paid for in whole or in part out of public funds” means:

- (a) the payment of money, by a public entity, or a third party acting on behalf of and or the benefit of a public entity, directly to or on behalf of the contractor, subcontractor, developer or owner that is not subject to repayment;
- (b) the savings achieved from fees, rents, interest rates, or other loan costs, or insurance costs that are lower than market rate costs; savings from reduced taxes as a result of tax credits, tax abatements, tax exemptions or tax increment financing; savings from payments in lieu of taxes; and any other savings from reduced, waived, or forgiven costs that would have otherwise been at a higher or market rate but for the involvement of the public entity;
- (c) money loaned by the public entity that is to be repaid on a contingent basis; or
- (d) credits that are applied by the public entity against repayment of obligations to the public entity.

Certain exclusions from the term “public funds” are identified in the text of the State Prevailing Wage Act attached hereto.

Note that the concept of “paid for in whole or in part out of public funds” is not limited to financial assistance provided by the Agency, but aggregates funds from all public sources.

Additional Company Compliance Requirements

If a Project is a Covered Project, the Company will be required to comply with the New York State Prevailing Wage Law, Labor Law, Article 8, Section 220 et. seq. as if the Project was a “public work” project as defined by the statute. Not less than the current prevailing rate of wages as determined by wage schedules provided by the Bureau of Public Work shall be paid to all laborers, workers and mechanics performing work at the Project. All contractor’s bonds, if required, shall include a provision as will guarantee the faithful performance of such prevailing wage requirement in connection with the Project.

Additional requirements shall include, but not be limited to: (a) the contractor must send a written request to the Labor Department's Bureau of Public Work for an appropriate wage schedule, (b) the contractor must attach the wage schedule to the bid specifications, (c) when awarding a contract, the contractor must attach the wage schedule to the contract, and (d) before

work begins, the contractor and subcontractor(s) must post wage schedules at the construction site so that workers know what they are entitled to.

Contractor shall ensure that all agreements with its subcontractors to perform work on or at the Project contain the following provisions:

- (a) Subcontractor shall comply with the New York State Prevailing Wage Law, Labor Law, Article 8, Section 220 et. seq. as if the Project was a “public work” project as defined by the statute for all construction, alteration, demolition, installation, repair or maintenance work over \$1,000 performed at the Project; and
- (b) Subcontractor’s obligations under prevailing wage laws include without limitation: pay at least the applicable prevailing wages as if the project was a “public work” as defined by the statute for activities performed at the Project; comply with overtime and working hour requirements; comply with apprenticeship obligations, comply with payroll recordkeeping requirements; and comply with other obligations as required by law.

Contractor shall ensure that the above requirements are included in all its contracts and any layer of subcontractors for activities for the Project.

NOTE: The Construction Period Prevailing Wage Policy requires only Covered Projects to comply with prevailing wage requirements for construction work on the Project. In order to assess whether the Project is a Covered Project, the applicant will be required to assess whether total public funds made available equal or exceed 30% of Project Construction Costs.

If the Corporation reasonably expects that the Project is not a Covered Project, the Corporation must complete the form titled Availability of Public Funds Worksheet that follows.

The Corporation shall advise the Agency prior to execution of this Corporation Project Lease as to whether the Corporation claims that the Project is not a Covered Project, and therefore will not be subject to construction contractors being paid prevailing wages.

If the Corporation proposes to assert that the Project is not a Covered Project and therefore does require payment of prevailing wage to construction workers, Corporation shall submit the completed following form to the Agency, together with a narrative and assumptions used in making the calculation. If total public funds are indeterminate at the present time (for example, a PILOT Agreement has not yet been negotiated), supplemental updates to the initial information must be provided by the Corporation. Should future public funds benefits calculations result in a determination that public funds will equal or exceed 30% of project construction costs, the amount of public funds benefits must either be decreased, or the Corporation will be required to refund for the benefit of the affected

taxing jurisdiction, all amounts of public funds received to avoid Covered Project status, together with such interest, damages and other compensation as may be required by the Agency in its sole discretion.

AVAILABILITY OF PUBLIC FUNDS WORKSHEET

In order to assist the Applicant in determining the whether the Project will be a Covered Project within the meaning of the State Prevailing Wage Act, the following worksheet must be completed as part of this Application.

The projected costs of construction within the meaning of the State Prevailing Wage Act is \$_____.

In the table below, except with respect to the public funds being provided by the Agency, please identify all other “public funds”, within the meaning of the State Prevailing Wage Act, that the Applicant has requested or reasonably expects to obtain to pay for construction costs.

Identity of Governmental Entity	Identify the Nature of the Public Funds (by reference to those categories of public funds identified in the State Prevailing Wage Act)	Projected Amount of Public Funds to be Derived from the Governmental Entity (gross amount and projected payment date of identified amounts)	Present Value of the Public Funds to be Derived from the Governmental Entity
		Total:	Total:

With respect to Agency financial assistance being requested, the amount of public funds available for construction shall be determined as set forth below:

1. With respect to exemptions from sales or use taxes, the portion of the total sales tax benefits approved by the Agency, that is determined by the Applicant to be allocable to construction costs (i.e. not to costs of equipment). The Applicant estimates that such amount is _____.

2. With respect to mortgage recording tax exemptions, the total amount of such exemption. The Applicant estimates that such amount is _____.

3. With respect to tax-exempt bonds, if any, the present value of the differential in amount of interest projected to be paid on the tax-exempt bonds over the life of the bonds and the amount of interest projected to be paid on identical bonds if such bonds did not have the benefit of tax-exempt status. Each such cash flow stream shall be adjusted to the present value for purposes of comparison. Such amount is \$ _____,

The Applicant should provide worksheets to illustrate the calculation of the foregoing amount.

1. With respect to PILOT Agreements, the difference between the amounts of real property taxes projected to be due during the term of the PILOT Agreement benefits, as if the property did not have the benefit of the PILOT Agreement, and the amounts of PILOT Payments that would be payable during the term of the PILOT Agreement. Each such cash flow stream shall be adjusted to the present value for purposes of comparison. Such amount is \$ _____,

The Applicant should complete the following table with respect to “public funds” derived through the Agency:

Total Sales Tax Exemptions	Amount Allocable to Construction	\$ _____
Mortgage Tax Exemptions	Total Amount of Exemptions	\$ _____
Tax Exempt Bond Financing	Net Present Value Savings Compared to a Taxable Financing	\$ _____
PILOT Agreement	Net Present Value Savings Compared to No PILOT Agreement	\$ _____
Total Public Funds Derived Through the Agency		\$ _____

Total Other Public Funds From Table Above		\$ _____
Total of Agency and Other Public Funds		\$ _____
Projected Construction Costs		\$ _____
Total Public Funds as a Percentage of Projected Construction Costs		_____ %

The undersigned, on behalf of the Corporation, represents that the foregoing projections are based on reasonable estimates made by [the chief financial officer] of the Corporation. The undersigned agrees to provide updated information based on the best of his or her knowledge as of the date of the execution and delivery of the Project Agreements. The undersigned understands and acknowledges that the Agency assumes no responsibility for the foregoing projections or any consequences that may result from any inaccuracy in such information.

SCHREINER REAL ESTATE INC.

Name:

Title:

Text of State Prevailing Wage Act

[Note: Below is the original language of the Prevailing Wage Act as initially adopted for applicants' convenience; The Agency does not undertake to report amendments or rules or regulations as they may be proposed or adopted. Please consult your counsel as to future developments.]

PART FFF

Section 1. The labor law is amended by adding a new section 224-a to read as follows:

§ 224-a. Prevailing wage requirements applicable to construction projects performed under private contract.

1. Subject to the provisions of this section, each "covered project" as defined in this section shall be subject to prevailing wage requirements in accordance with section two hundred twenty and two hundred twenty-b of this article. A "covered project" shall mean construction work done under contract which is paid for in whole or in part out of public funds as such term is defined in this section where the amount of all such public funds, when aggregated, is at least thirty percent of the total construction project costs and where such project costs are over five million dollars except as provided for by section two hundred twenty-four-c of this article.
2. For purposes of this section, "paid for in whole or in part out of public funds" shall mean any of the following:
 - a. The payment of money, by a public entity, or a third party acting on behalf of and or the benefit of a public entity, directly to or on behalf of the contractor, subcontractor, developer or owner that is not subject to repayment;
 - b. The savings achieved from fees, rents, interest rates, or other loan costs, or insurance costs that are lower than market rate costs; savings from reduced taxes as a result of tax credits, tax abatements, tax exemptions or tax increment financing; savings from payments in lieu of taxes; and any other savings from reduced, waived, or forgiven costs that would have otherwise been at a higher or market rate but for the involvement of the public entity;
 - c. Money loaned by the public entity that is to be repaid on a contingent basis; or
 - d. Credits that are applied by the public entity against repayment of obligations to the public entity.

3. For purposes of this section, "paid for in whole or in part out of public funds" shall not include:
 - a. Benefits under section four hundred twenty-one-a of the real property tax law;
 - b. Funds that are not provided primarily to promote, incentivize, or ensure that construction work is performed, which would otherwise be captured in subdivision two of this section;
 - c. Funds used to incentivize or ensure the development of a comprehensive sewage system, including connection to existing sewer lines or creation of new sewage lines or sewer capacity, provided, however, that such work shall be deemed to be a public work covered under the provisions of this article;
 - d. tax benefits provided for projects the length or value of which are not able to be calculated at the time the work is to be performed;
 - e. tax benefits related to brownfield remediation or brownfield redevelopment pursuant to section twenty-one, twenty-two, one hundred eighty-seven-g or one hundred eighty-seven-h of the tax law, subdivision seventeen or eighteen of section two hundred ten-B of the tax law, subsection (dd) or (ee) of section six hundred six of the tax law, or subdivision (u) or (v) of section fifteen hundred eleven of the tax law;
 - f. funds provided pursuant to subdivision three of section twenty- eight hundred fifty-three of the education law; and
 - g. any other public monies, credits, savings or loans, determined by the public subsidy board created in section two hundred twenty-four-c of this article as exempt from this definition.
4. For purposes of this section "covered project" shall not include any of the following:
 - a. Construction work on one or two family dwellings where the property is the owner's primary residence, or construction work performed on property where the owner of the property owns no more than four dwelling units;
 - b. Construction work performed under a contract with a not-for-profit corporation as defined in section one hundred two of the not-for-profit corporation law, other than a not-for-profit corporation formed exclusively for the purpose of holding title to property and collecting income thereof or any public entity as defined in this section where the not-for-profit corporation has gross annual revenue and support less than five million dollars;

- c. Construction work performed on a multiple residence and/or ancillary amenities or installations that is wholly privately owned in any of the following circumstances except as provided for by section two hundred twenty-four-c of this article:
 - (i) where no less than twenty-five percent of the residential units are affordable and shall be retained subject to an anticipated regulatory agreement with a local, state, or federal governmental entity, or a not-for-profit entity with an anticipated formal agreement with a local, state, or federal governmental entity for purposes of providing affordable housing in a given locality or region provided that the period of affordability for a residential unit deemed affordable under the provisions of this paragraph shall be for no less than fifteen years from the date of construction; or
 - (ii) where no less than thirty-five percent of the residential units involves the provision of supportive housing services for vulnerable populations provided that such units are subject to an anticipated regulatory agreement with a local, state, or federal governmental entity; or
 - (iii) any newly created programs for affordable or subsidized housing as determined by the public subsidy board established by section two hundred twenty-four-c of this article.
- d. Construction work performed on a manufactured home park as defined in paragraph three of subdivision a of section two hundred thirty-three of the real property law where the manufactured home park is subject to a regulatory agreement with a local, state, or federal governmental entity for no less than fifteen years;
- e. Construction work performed under a pre-hire collective bargaining agreement between an owner or contractor and a bona fide building and construction trade labor organization which has established itself as the collective bargaining representative for all persons who will perform work on such a project, and which provides that only contractors and subcontractors who sign a pre-negotiated agreement with the labor organization can perform work on such a project, or construction work performed under a labor peace agreement, project labor agreement, or any other construction work performed under an enforceable agreement between an owner or contractor and a bona fide building and construction trade labor organization;
- f. Construction work performed on projects funded by section sixteen-n of the urban development corporation act or the downtown revitalization initiative;

- g. Construction work and engineering and consulting services performed in connection with the installation of a renewable energy system, renewable heating or cooling system, or energy storage system, with a capacity equal to or under five megawatts alternating current;
 - h. Construction work performed on supermarket retail space built or renovated with tax incentives provided under the food retail expansion to support health (FRESH) program through the New York city industrial development agency;
 - i. Construction work performed for interior fit-outs and improvements under ten thousand square feet through small business incubation programs operated by the New York city economic development corporation;
 - j. Construction work on space to be used as a school under sixty thousand square feet, pursuant to a lease from a private owner to the New York city department of education and the school construction authority; or
 - k. Construction work performed on projects that received tax benefits related to historic rehabilitation pursuant to subdivision twenty-six of section two hundred ten-B of the tax law, subsection (oo) or (pp) of section six hundred six of the tax law, or subdivision (y) of section fifteen hundred eleven of the tax law.
5. For purposes of this section, "public entity" shall include, but shall not be limited to, the state, a local development corporation as defined in subdivision eight of section eighteen hundred one of the public authorities law or section fourteen hundred eleven of the not-for-profit corporation law, a municipal corporation as defined in section one hundred nineteen-n of the general municipal law, an industrial development agency formed pursuant to article eighteen-A of the general municipal law or industrial development authorities formed pursuant to article eight of the public authorities law, and any state, local or interstate or international authorities as defined in section two of the public authorities law; and shall include any trust created by any such entities.
 6. For purposes of this section, "construction" means work which shall be as defined by the public subsidy board to require payment of prevailing wage, and which may involve the employment of laborers, workers, or mechanics.
 7. For purposes of this section and section two hundred twenty-four-b of this article, the "fiscal officer" shall be deemed to be the commissioner.
 8. The enforcement of any construction work deemed to be a covered project pursuant to this section, and any additional requirements, shall be subject, in addition to this section, only to the requirements of sections two hundred twenty, two hundred twenty-four-b, two hundred twenty-four-c, and two hundred twenty-b of this article and within the jurisdiction of the fiscal officer; provided, however, nothing contained in this section

shall be deemed to construe any covered project as otherwise being considered public work pursuant to this article; and further provided:

- a. The owner or developer of such covered project shall certify under penalty of perjury within five days of commencement of construction work whether the project at issue is subject to the provisions of this section through the use of a standard form developed by the fiscal officer.
 - b. The owners or developers of a property who are undertaking a project under private contract, may seek guidance from the public subsidy board contained in section two hundred twenty-four-c of this article, and such board may render an opinion as to whether or not the project is a covered project within the meaning of this article. Any such determination shall not be reviewable by the fiscal officer, nor shall it be reviewable by the department pursuant to section two hundred twenty of this article.
 - c. The owner or developer of a covered project shall be responsible for retaining original payroll records in accordance with section two hundred twenty of this article for a period of six years from the conclusion of such work. All payroll records maintained by an owner or developer pursuant to this section shall be subject to inspection on request of the fiscal officer. Such owner or developer may authorize the prime contractor of the construction project to take responsibility for retaining and maintaining payroll records, but will be held jointly and severally liable for any violations of such contractor. All records obtained by the fiscal officer shall be subject to the Freedom of Information Law.
 - d. Each public entity providing any of the public funds listed in subdivision two of this section to an owner, developer, contractor or subcontractor of a project shall identify the nature and dollar value of such funds and whether any such funds are excluded under subdivision three of this section and shall so notify the recipient of such funds of such determination and of their obligations under paragraph a of this subdivision.
 - e. The fiscal officer may issue rules and regulations governing the provisions of this section. Violations of this section shall be grounds for determinations and orders pursuant to section two hundred twenty-b of this article.
9. Each owner and developer subject to the requirements of this section shall comply with the objectives and goals of minority and women-owned business enterprises pursuant to article fifteen-A of the executive law and service-disabled veteran-owned businesses pursuant to article seventeen-B of the executive law. The department in consultation with the directors of the division of minority and women's business development and of the division of service-disabled veterans' business development shall make training and resources available to assist minority and women-owned business enterprises and service-

disabled veteran-owned business enterprises on covered projects achieve and maintain compliance with prevailing wage requirements. The department shall make such training and resources available online and shall afford minority and women-owned business enterprises and service-disabled veteran-owned business enterprises an opportunity to submit comments on such training.

10.

- a. The fiscal officer shall report to the governor, the temporary president of the senate, and the speaker of the assembly by July first, two thousand twenty-two, and annually thereafter, on the participation of minority and women-owned business enterprises in relation to covered projects and contracts for public work subject to the provisions of this 2 section and section two hundred twenty of this article respectively as 3 well as the diversity practices of contractors and subcontractors employing laborers, workers, and mechanics on such projects.
- b. Such reports shall include aggregated data on the utilization and participation of minority and women-owned business enterprises, the employment of minorities and women in construction-related jobs on such projects, and the commitment of contractors and subcontractors on such projects to adopting practices and policies that promote diversity within the workforce. The reports shall also examine the compliance of contractors and subcontractors with other equal employment opportunity requirements and anti-discrimination laws, in addition to any other employment practices deemed pertinent by the commissioner.
- c. The fiscal officer may require any owner or developer to disclose information on the participation of minority and women-owned business enterprises and the diversity practices of contractors and subcontractors involved in the performance of any covered project. It shall be the duty of the fiscal officer to consult and to share such information in order to effectuate the requirements of this section.

11. If construction work is not deemed to be a covered project, whether by virtue of an exclusion of such project under subdivision four of this section, or by virtue or not receiving sufficient public money to be deemed "paid for in whole or in part out of public funds", such project shall not be subject to the requirements of sections two hundred twenty and two hundred twenty-b of this article.

Section 2. The labor law is amended by adding a new section 224-b to read as follows:

§ 224-b. Stop-work orders.

Where a complaint is received pursuant to this article, or where the fiscal officer upon his or her own investigation, finds cause to believe that any person, in connection with the performance of any contract for public work pursuant to section two hundred twenty of this article or any covered project pursuant to section two hundred twenty-four-a of this article, has substantially and materially failed to comply with or intentionally evaded the provisions of this article, the fiscal officer may notify such person in writing of his or her intention to issue a stop-work order. Such notice shall (i) be served in a manner consistent with section three hundred eight of the civil practice law and rules; (ii) notify such person of his or her right to a hearing; and (iii) state the factual basis upon which the fiscal officer has based his or her decision to issue a stop-work order. Any documents, reports, or information that form a basis for such decision shall be provided to such person within a reasonable time before the hearing. Such hearing shall be expeditiously conducted. Following the hearing, if the fiscal officer issues a stop-work order, it shall be served by regular mail, and a second copy may be served by telefacsimile or by electronic mail, with service effective upon receipt of any such order. Such stop-work order shall also be served with regard to a worksite by posting a copy of such order in a conspicuous location at the worksite. The order shall remain in effect until the fiscal officer directs that the stop-work order be removed, upon a final determination on the complaint or where such failure to comply or evade has been deemed corrected. If the person against whom such order is issued shall within thirty days after issuance of the stop-work order makes an application in affidavit form for a redetermination review of such order the fiscal officer shall make a decision in writing on the issues raised in such application. The fiscal officer may direct a conditional release from a stop-work order upon a finding that such person has taken meaningful and good faith steps to comply with the provisions of this article.

Section 3. The labor law is amended by adding a new section 224-c to read as follows:

§ 224-c. Public subsidy board.

1. A board on public subsidies, hereinafter "the board", is hereby created, to consist of thirteen members. The thirteen members shall be appointed by the governor as follows: one member upon the recommendation of the temporary president of the senate, one member upon the recommendation of the speaker of the assembly, the commissioner, the president of the empire state development corporation, the director of the division of the budget, two members representing employees in the construction industry, of whom one shall be a representative of the largest statewide trade labor association representing building and construction workers, and one shall be a representative of the largest trade labor association representing building and construction workers with membership in New York City, and two members representing employers in the construction industry, of whom one shall be a representative of the largest statewide organization representing building owners and developers, either for-profit or not-for-profit, and one shall be a representative of a statewide organization representing building owners and developers, either for-profit or not-for-profit, representing a region different than the region primarily represented by the initial employer representative. The commissioner shall act as the chair. The members shall serve at the pleasure of the authority recommending, designating, or

otherwise appointing such member and shall serve without salary or compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties.

2. The board shall meet on an as needed basis and shall have the power to conduct public hearings. The board may also consult with employers and employees, and their respective representatives, in the construction industry and with such other persons, including the commissioner, as it shall determine. No public officer or employee appointed to the board shall forfeit any position or office by virtue of appointment to such board. Any proceedings of the board which relate to a particular individual or project shall be confidential.

3. The board may examine and make recommendations regarding the following:

(a) the minimum threshold percentage of public funds set forth in subdivision one of section two hundred twenty-four-a of this article, but no lower than that which is set forth in such subdivision;

(b) the minimum dollar threshold of projects set forth in subdivision one of section two hundred twenty-four-a of this article, but no lower than that which is set forth in such subdivision;

(c) construction work excluded as a covered project, as set forth in subparagraphs (i), (ii) and (iii) of paragraph c of subdivision four of section two hundred twenty-four-a of this article;

(d) the definition of construction for purposes of section two hundred twenty-four-a of this article; or

(e) particular instances of benefits, monies or credits as to whether or not they should constitute public funds.

4. Prior to making any recommendation intended to apply to all projects, the board shall hold a public hearing. The board shall announce each public hearing at least fifteen days in advance. The announcement shall contain an agenda of the topics the board will discuss. At each hearing, the board may hear testimony and/or review written documents from any interested stakeholders related to the planned agenda of the meeting. The board shall make any such recommendations in writing. In making its recommendations, the board shall examine the impact of such thresholds and circumstances on private development in light of available public subsidies, existing labor market conditions, prevailing wage and supplement practices, and shall consider the extent to which adjustments to such thresholds and circumstances could ameliorate adverse impacts, if any, or expand opportunities for prevailing wage and supplement standards on publicly subsidized private construction projects in any region or regions of the state.

5. The board shall be empowered to issue binding determinations to any public entity, or any private or not-for-profit owner or developer as to any particular matter related to an existing or potential covered project. In such instances the board shall make a determination based upon documents, or testimony, or both in its sole discretion. Any such proceedings shall be confidential, except that publication of such decisions shall be made available on the

department's website, subject to redaction or confidentiality as the board shall deem warranted in accordance with any applicable federal or state statutory or regulatory requirement governing confidentiality and personal privacy.

6. Any recommendation rendered by the board pursuant to this section shall be subject to the provisions of article seventy-eight of the civil practice law and rules.

7. In the event that the board finds that there is or likely would be a significant negative economic impact of implementing the prevailing wage requirements provided for in section two hundred twenty-four-a of this article, the board may temporarily delay the implementation of such requirements beyond January first, two thousand twenty-two. Such a delay may be effective statewide or effective only in a region of the state as defined by the regional economic development councils. In making such a determination to delay, the board shall consult the department, the department's division of research and statistics, the United States department of labor, the federal reserve bank of New York and other economic experts. The board will reference well-established economic indexes and accepted economic factors tied to the construction industry, including but not limited to construction industry employment, wages, and overall construction activity.

Section 4. The labor law is amended by adding a new section 813-a to read as follows:

§ 813-a. Annual reports by apprenticeship programs.

1. On an annual basis, all apprenticeship programs covered under the provisions of this article shall report to the department on the participation of apprentices currently enrolled in such apprenticeship program. The data to be included in such report shall include, at a minimum: (a) the total number of apprentices in such apprenticeship program; (b) the demographic information of such apprentices to the extent such data is available, including, but not limited to, the age, gender, race, ethnicity, and national origin of such apprentices; (c) the rate of advancement and graduation of such apprentices; and (d) the rate of placement of such apprentices onto job sites as well as the demographic information of such apprentices to the extent such data is available, including, but not limited to the age, gender, race, ethnicity, and national origin of such apprentices.
2. The department shall make such data publicly available on its website by July first, two thousand twenty-two and on an annual basis, but no later than December thirty-first of each following year.
3. The commissioner may promulgate rules and regulations necessary for the implementation of this section.

Section 5. Severability clause.

If any clause, sentence, paragraph, subdivision, or section of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, or section thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

Section 6.

This act shall take effect on January 1, 2022 and shall apply to contracts for construction executed, incentive agreements executed, procurements or solicitations issued, or applications for building permits on or after such date; provided however that section three of this act shall take effect on April 1, 2021, and provided further that this act shall not pre-exempt any existing contracts, nor apply to any appropriations of public funds made prior to the day on which this act shall have become a law, or to re-appropriations of such funds first appropriated prior to the day on which this act shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

EXHIBIT J

ADDITIONAL REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION

Additional Representations, Certifications and Indemnification

- A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the “DOL”) and with the administrative entity (collectively with the DOL, the “JTPA Entities”) of the service delivery area created by the federal job training partnership act (Public Law 97-300) (“JTPA”) in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.
- D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, “Employment Reports”) that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and applicant. In addition, a Notice of Failure to provide the Agency with an Employment

Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. Hold Harmless Provision: The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the

generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy and schedule effective as of the date of the Applicant's Application.
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated: (i) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.
- J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as

expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.

- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project: § 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- Q. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any

Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.