

Transcript Document No. 5(a)

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

(ONEIDA COUNTY, NEW YORK)

and

CARDINAL GRIFFISS REALTY, LLC

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LEASEBACK AGREEMENT

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Dated as of August 1, 2010

2010 Real Estate Lease

(CARDINAL GRIFFISS REALTY, LLC FACILITY)

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THIS LEASEBACK AGREEMENT (the "Leaseback Agreement"), dated as of August 1, 2010, is between the **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York having its office at 584 Phoenix Drive, Rome, New York 13441 (the "Agency") and **CARDINAL GRIFFISS REALTY, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York having its office at 584 Phoenix Drive, Rome, New York 13441 ("the Company").

#### RECITALS

Title 1 of Article 18-A of the General Municipal Law of the State of New York was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York;

The aforesaid act authorizes the creation of industrial development agencies for the Public Purposes of the State;

The aforesaid act further authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, reconstruct, renovate, refurbish, equip, lease, sell and dispose of land and any building or other improvement, and all real and personal property, including but not limited to, machinery and equipment deemed necessary in connection therewith, whether now in existence or under construction, which shall be suitable for manufacturing, civic, warehousing, research, commercial, recreation or industrial facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living;

Pursuant to and in accordance with the provisions of the aforesaid act, the Agency was created and is empowered under the Act to undertake the providing, financing and leasing of the Facility defined below;

The Facility shall consist of construction of a 46,500± gross square foot building (the "Improvements") situated on a 7.50± acre parcel of land located at the corner of Route 825 and Brooks Road, Griffiss Business and Technology Park, City of Rome, Oneida County, New York (the "Land") and the acquisition and installation of equipment in the Improvements (the "Equipment") all to be used for the coordination of redevelopment efforts for the recently realigned Griffiss Air Force Base (the Land, the Improvements and the Equipment referred to collectively as the "Facility");

The United States of America, acting by and through the Secretary of the Air Force, conveyed a 55.391± acre parcel of real property ("Parcel F6A") to the Agency by means of a Quitclaim Deed (the "Deed") dated May 13, 2002 and recorded in the Oneida County Clerk's Office on January 22, 2003 as Instrument Number R2003-001612;

The Agency leases Parcel F6A to Griffiss Local Development Corporation ("GLDC") pursuant to a certain lease agreement dated as of December 1, 2002 (the "Prime Lease") between the Agency and GLDC, a memorandum of which was recorded on January 22, 2003, in the Oneida County Clerk's office as Instrument Number R2003-000078;

The Agency and GLDC are entering into a Partial Release of Lease Agreement dated as of August 1, 2010 (the "Release Agreement") whereby the Land (including any buildings, structures or other improvements thereon) is released from the premises described in the Prime Lease;

The Agency has agreed to convey fee title to the Land (including any buildings, structures or other improvements thereon) to GLDC by way of a Quitclaim Deed dated August \_\_, 2010 (the "OCIDA Deed"), which OCIDA Deed will be recorded in the Office of the Clerk of Oneida County; and

GLDC has agreed to convey fee title to the Land (including any buildings, structures or other improvements thereon) to the Company by way of a Bargain and Sale Deed dated August \_\_, 2010 (the "GLDC Deed"), which GLDC Deed will be recorded in the Office of the Clerk of Oneida County; and

The Company has agreed to grant the Agency a leasehold interest in and to the Facility by way of a Lease Agreement dated as of August 1, 2010 (the "Lease Agreement") by and between the Agency and the Company; and

The Company has agreed with the Agency, on behalf of the Agency and as the Agency's agent, to acquire, construct, renovate and equip the Facility in accordance with the Plans and Specifications; and

The Agency proposes to lease the Facility to the Company, and the Company desires to rent the Facility from the Agency, upon the terms and conditions set forth in this Leaseback Agreement; and

The Company subleases a 35,718± gross square foot portion of the Facility (the "AIS Facility") to Assured Information Security ("Sublessee") for its operation upon the terms and conditions set forth in a Sublease Agreement (the "Sublease Agreement"), dated July 1, 2010; and

The Company proposes to retain the 10,782± gross square foot balance of the Facility (the "Company Facility") to lease to prospective subtenants, including Sublessee; and

Enhanced Capital New Market Development Fund V, LLC, a Louisiana limited liability company with offices at 201 St. Charles Avenue, Suite 3700, New Orleans, Louisiana 70170 (the "Sub-CDE") is willing to finance a portion of the cost of the Facility by making a loan to the Company in the original principal sum of \$9,000,000.00 (the "Sub-CDE Loan") to be secured by, among other things, (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "Sub-CDE Mortgage"), given by the Agency and the Company to the Sub-CDE, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "Sub-CDE Pledge"), given by the Agency and the Company to the Sub-CDE and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "Sub-CDE Assignment") given by the Agency and the Company to the Sub-CDE, which Sub-CDE Mortgage, Sub-CDE Pledge and Sub-CDE Assignment shall be recorded with the Clerk of Oneida County (the "Clerk"); and

Oneida Savings Bank, a New York savings bank with offices at 182 Main Street, Oneida, New York 13421-1676 (the "Lender") wishes to finance a portion of the cost of the Facility by making a loan to the Company in the original principal sum of \$1,585,416.00 (the "OSB Loan") to be secured by (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "OSB Mortgage"), given by the Agency and the Company to the Lender, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "OSB Pledge"), given by the Agency and the Company to the Lender; and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "OSB Assignment"), given by the Agency and the Company to the Lender, which OSB Mortgage, OSB Pledge and OSB Assignment shall be recorded with the Clerk; and

The Agency is the owner of a 4.526± acre parcel of land located at 725 Daedalian Drive, Griffiss Business and Technology Park, City of Rome, Oneida County, New York (the "GLDC Land"); and

The Lender wishes to finance a portion of the cost of the Facility by making a loan to GLDC in the original principal sum of \$2,776,860.00 (the "OSB Loan B") to be secured by the GLDC Land through (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "OSB Mortgage B"), given by the Agency and GLDC to the Lender, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "OSB Pledge B"), given by the Agency to the Lender with acknowledgment by GLDC; and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "OSB Assignment B"), given by the Agency and GLDC to the Lender, which OSB Mortgage B, OSB Pledge B and OSB Assignment B shall be recorded with the Clerk; and

The Lender wishes to finance a portion of the cost of the Facility by making an additional loan to GLDC in the original principal sum of \$780,000.00 (the "OSB Loan C") to be secured by the GLDC Land through (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "OSB Mortgage C"), given by the Agency and GLDC to the Lender, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "OSB Pledge C"), given by the Agency to the Lender with acknowledgment by GLDC; and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "OSB Assignment C"), given by the Agency and GLDC to the Lender, which OSB Mortgage C, OSB Pledge C and OSB Assignment C shall be recorded with the Clerk; and

Economic Development Growth Corporation ("EDGE") wishes to finance a portion of the cost of the Facility by making a loan to GLDC in the original principal sum of \$500,000.00 (the "EDGE Loan C") to be secured by the GLDC Land through (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "EDGE Mortgage C"), given by the Agency and GLDC to EDGE, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "EDGE Pledge C"), given by the Agency to EDGE with acknowledgment by GLDC; and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "EDGE Assignment C"), given by the Agency and GLDC to EDGE, which EDGE Mortgage C, EDGE Pledge C and EDGE Assignment C shall be recorded with the Clerk; and

Mohawk Valley Rehabilitation Corporation ("MORECO") wishes to finance a portion of the cost of the Facility by making a loan to GLDC in the original principal sum of \$200,000.00 (the "MORECO Loan A") to be secured by the GLDC Land through (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "MORECO Mortgage A"), given by the Agency and GLDC to MORECO, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "MORECO Pledge A"), given by the Agency to MORECO with acknowledgment by GLDC; and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "MORECO Assignment A"), given by the Agency and GLDC to MORECO, which MORECO Mortgage A, MORECO Pledge A and MORECO Assignment A shall be recorded with the Clerk; and

Rome Industrial Development Corporation ("RIDC") wishes to finance a portion of the cost of the Facility by making a loan to GLDC in the original principal sum of \$75,000.00 (the "RIDC Loan A") to be secured by the GLDC Land through (a) a Mortgage and Security Agreement dated \_\_\_\_\_, 2010 (the "RIDC Mortgage A"), given by the Agency and GLDC to RIDC, (b) a Pledge and Assignment dated \_\_\_\_\_, 2010 (the "RIDC Pledge A"), given by the Agency to RIDC with acknowledgment by GLDC; and (c) an Assignment of Leases and Rents dated \_\_\_\_\_, 2010 (the "RIDC Assignment A"), given by the Agency and GLDC to RIDC, which RIDC Mortgage A, RIDC Pledge A and RIDC Assignment A shall be recorded with the Clerk.

## AGREEMENT

For and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto do hereby mutually agree as follows:

### ARTICLE I

#### DEFINITIONS

All capitalized terms used in this Leaseback Agreement and not otherwise defined shall have the meanings assigned thereto in the Schedule of Definitions attached hereto as Schedule A.

### ARTICLE II

#### REPRESENTATIONS AND COVENANTS

Section 2.1 Representations and Covenants of Agency. The Agency makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Agency is duly established and validly existing under the provisions of the Act and has full legal right, power and authority to execute, deliver, and perform each of the Agency Documents and the other documents contemplated thereby. Each of the Agency Documents and the other documents contemplated thereby has been duly authorized, executed and delivered by the Agency.

(b) The Agency will cause the Land to be released from the Prime Lease, title to the Land to be conveyed to GLDC, accept a leasehold interest in the Facility, the Improvements to be constructed and renovated and the Equipment to be acquired and installed and will lease the Facility to the Company pursuant to this Leaseback Agreement, all for the Public Purposes of the State.

(c) On June 1, 2010, the Common Council of the City of Rome adopted SEQRA findings and granted site plan approval for the Facility; and

(d) By resolution adopted on June 18, 2010, the Agency determined that, based upon the review by the Agency of the materials submitted and the representation made by the Company relating to the Facility, the Facility would not have a "significant impact" or "significant effect" on the environment within the meaning of the SEQR Act.

(e) Neither the execution and delivery of any of the Agency Documents and the other documents contemplated thereby nor the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions of any of the Agency Documents and the other documents contemplated thereby, will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of the Act, any other law or ordinance of the State or any political subdivision thereof or of the Agency's Certificate of Establishment or By-laws, as amended, or of any corporate restriction or any agreement or instrument to which the Agency is a party or by which it is bound, or result in the creation or imposition of any Lien of any nature upon any of the Property of the Agency under the terms of the Act or any such law, ordinance, Certificate of Establishment, By-laws, restriction, agreement or instrument, except for Permitted Encumbrances.



(f) Each of the Agency Documents and the other documents contemplated thereby constitutes a legal, valid and binding obligation of the Agency enforceable against the Agency in accordance with its terms.

(g) The Agency has been induced to enter into this Leaseback Agreement by the undertaking of the Company to utilize the Facility in Oneida County, New York. (h) The Agency shall, throughout the Lease Term, take all actions and make all reports on its part required to be taken or made pursuant to the provision of the Act.

**Section 2.2 Representations and Covenants of the Company.** The Company makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company duly organized and validly existing under the laws of the State of New York, and has full legal right, power and authority to execute, deliver and perform each of the Company Documents and the other documents contemplated thereby. Each of the Company Documents and the other documents contemplated thereby has been duly authorized, executed and delivered by the Company.

(b) Neither the execution and delivery of any of the Company Documents and the other documents contemplated thereby or the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions of any of the Company Documents and the other documents contemplated thereby, will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any law or ordinance of the State or any political subdivision thereof, or any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or result in the creation or imposition of any Lien of any nature upon any of the Property of the Company under the terms of any such law, ordinance, restriction, agreement or instrument, except for Permitted Encumbrances.

(c) To the best of the Company's knowledge, without independent investigation or inquiry, the Facility and the design, acquisition, construction, renovation, equipping and operation thereof will conform with all applicable zoning, planning, building and environmental laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility. The Company shall defend, indemnify and hold harmless the Agency for expenses, including reasonable attorneys' fees, resulting from any failure of the Company to comply with the provisions of this subsection.

(d) Each of the Company Documents and the other documents contemplated thereby constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

(e) The Company will use its best efforts to complete or cause the completion of the acquisition, construction, renovation and equipping of the Facility in accordance with the terms and provisions of the Plans and Specifications, if any.

(f) The Facility is and will continue to be a "project," as such quoted term is defined in the Act. The Company will not take any action, or fail to take any action, which would cause the Facility to not constitute a "project" as such quoted term is defined in the Act.

ARTICLE III

[RESERVED]

ARTICLE IV

ACQUISITION, CONSTRUCTION, RENOVATION  
AND EQUIPPING OF FACILITY

Section 4.1 Acquisition, Construction, Renovation and Equipping of Facility.

(a) The Company agrees that, on behalf of the Agency, the Company will acquire, construct, renovate and equip the Facility in accordance with the Plans and Specifications, if any, and will improve the AIS Facility in accordance with the terms of the Sublease Agreement.

(b) Subject to the terms of the Sublease Agreement, the Company may revise the plans and specifications, if any, from time to time so long as the Facility continues to be a "project" as defined in the Act.

(c) The Agency hereby appoints the Company its true and lawful agent, and the Company hereby accepts such agency (i) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instruction with any other Persons, and in general to do all things which may be requisite or proper, all for constructing the Improvements and acquiring and installing the Equipment with the same powers and with the same validity as the Agency could do if acting on its own behalf, (iii) to pay all fees, costs and expenses incurred in the construction and renovation of the Improvements and the acquisition and installation of the Equipment, and (iv) to ask, demand, sue for, levy, recover and receive all such sums or money, debts, dues 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 construction and renovation of the Improvements and the acquisition and installation of the Equipment, and to enforce the provisions of any contract, agreement, obligation, bond or other performance security.

(d) The Agency shall enter into, and accept the assignment of, such contracts as the Company may request in order to effectuate the purposes of this Section 4.1.

(e) The Company, as agent for the Agency, shall comply with all provisions of the Labor Law of the State applicable to the construction and renovation of the Facility and shall include in all construction contracts all provisions that may be required to be inserted therein by such provisions. Except as provided in the preceding sentence, the provision of this subsection does not create any obligations or duties not created by applicable law outside of the terms of this Leaseback Agreement.

Section 4.2 [Reserved]

Section 4.3 [Reserved]

Section 4.4 [Reserved]

Section 4.5 Remedies to be Pursued Against Contractors, Subcontractors, Materialmen and their Sureties. In the event of a default by any contractor, subcontractor, materialman or other Person under any contract made by it in connection with the Facility or in the event of a breach of warranty or other liability with respect to any materials, workmanship, or performance guaranty, the Company at its

expense, either separately or in conjunction with others, may pursue any and all remedies available to it and the Agency, as appropriate, against the contractor, subcontractor, materialman or other Person so in default and against any surety for the performance of such contract. The Company, in its own name or in the name of the Agency, may prosecute or defend any action or proceeding or take any other action involving any such contractor, subcontractor, materialman or surety or other Person which the Company deems reasonably necessary, and in such event the Agency, at the Company's expense, hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the Agency in any such action or proceeding. The Company shall advise the Agency of any actions or proceedings taken hereunder.

## ARTICLE V

### DEMISING CLAUSES AND RENTAL PROVISIONS

Section 5.1 Demise of Facility. The Agency hereby leases the Facility, consisting of the Land as particularly described in Exhibit A attached hereto, the Improvements and the Equipment as particularly described in Exhibit B attached hereto, to the Company and the Company hereby takes the Facility from the Agency upon the terms and conditions of this Leaseback Agreement.

Section 5.2 Duration of Lease Term; Quiet Enjoyment.

(a) The Agency shall deliver to the Company sole and exclusive possession of the Facility (subject to Sections 8.3 and 10.2 hereof) and the leasehold estate created hereby shall commence on the Closing Date and the Company shall accept possession of the Facility on the Closing Date.

(b) Except as provided in Section 10.2 hereof, the leasehold estate created hereby shall terminate at 11:59 p.m. on December 31, 2056 or on such earlier date as may be permitted by Section 11.1 hereof.

(c) Except as provided in Sections 8.3 and 10.2 hereof, the Agency shall neither take nor suffer or permit any action to prevent the Company during the Lease Term from having quiet and peaceable possession and enjoyment of the Facility and will, at the request of the Company and at the Company's cost, cooperate with the Company in order that the Company may have quiet and peaceable possession and enjoyment of the Facility as hereinabove provided.

Section 5.3 Rents and Other Amounts Payable.

(a) The Company shall pay basic rent for the Facility as follows: Five Hundred Dollars (\$500.00) per year commencing on the Closing Date and on the First Business Day of each and every July thereafter during the Lease Term.

(b) In addition to the payments of rent pursuant to Section 5.3(a) hereof, throughout the Lease Term, the Company shall pay to the Agency as additional rent, within ten (10) days of receipt of demand therefor, the expenses of the Agency and the members thereof incurred (i) by reason of the Agency's ownership or leasing of the Facility or (ii) in connection with the carrying out of the Agency's duties and obligations under the Agency Documents, the payment of which is not otherwise provided for under this Leaseback Agreement. The foregoing shall not be deemed to include any annual or continuing administrative or management fee beyond any initial administrative fee or fee for services rendered by the Agency.

(c) The Company, under the provisions of this Section 5.3, agrees to make the above-mentioned payments in immediately available funds and without any further notice in lawful money of the United States of America. In the event the Company shall fail to timely make any payment required in Section 5.3(a) or 5.3(b), the Company shall pay the same together with interest on such payment at a rate equal to two percent (2%) plus the prime rate as established by Bank of America or its successor, but in no event at a rate higher than the maximum lawful prevailing rate, from the date on which such payment was due until the date on which such payment is made.

**Section 5.4** Obligations of the Company Hereunder Unconditional. The obligations of the Company to make the payments required in Section 5.3 hereof, and to perform and observe any and all of the other covenants and agreements on its part contained herein shall be a general obligation of the Company, and shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it may otherwise have against the Agency or any other Person. The Company agrees it will not (i) suspend, discontinue or abate any payment required hereunder, (ii) fail to observe any of its other covenants or agreement in this Leaseback Agreement or (iii) terminate this Leaseback Agreement for any cause whatsoever except as otherwise herein provided.

Subject to the foregoing provisions, nothing contained in this Section shall be construed to release the Agency from the performance of any of the agreements on its part contained in this Leaseback Agreement or to affect the right of the Company to seek reimbursement, and in the event the Agency should fail to perform any such agreement, the Company may institute such separate action against the Agency as the Company may deem necessary to compel performance or recover damages for non-performance, and the Agency covenants that it will not, subject to the provisions of Section 8.3 and Article X hereof, take, suffer or permit any action which will adversely affect, or create any defect in its title to the Facility or which will otherwise adversely affect the rights or estate of the Company hereunder, except upon written consent of the Company.

**Section 5.5** [Reserved]

**Section 5.6** [Reserved]

## ARTICLE VI

### MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE

**Section 6.1** Maintenance and Modifications of Facility by the Company.

(a) The Company shall not abandon the Facility or cause or permit any waste to the Improvements. During the Lease Term, the Company shall not remove any part of the Facility outside of the jurisdiction of the Agency and shall (i) keep the Facility in as reasonably safe condition as its operation shall permit; (ii) make all necessary repairs and replacements to the Facility (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen); and (iii) operate the Facility in a sound and economic manner.

(b) The Company from time to time may make any structural additions, modifications or improvements to the Facility or any part hereof, provided such actions do not adversely affect the structural integrity of the Facility. All such additions, modifications or improvements made by the Company shall become a part of the Facility and the Property of the Agency. The Company agrees to deliver to the Agency all documents that may be necessary or appropriate to convey to the Agency title to such Property.

Section 6.2 Installation of Additional Equipment. Subject to the provisions of Section 8.10 hereof, the Company, the Sublessee, and their respective permitted sublessees from time to time may install additional machinery, equipment or other personal property in the Facility (which may be attached or affixed to the Facility), and such machinery, equipment or other personal property shall not become, or be deemed to become, a part of the Facility. The Company from time to time may create or permit to be created any Lien on such machinery, equipment and other personal property from the Facility. Further, the Company from time to time may remove or permit the removal of such machinery, equipment and other personal property from the Facility, provided that any such removal of such machinery, equipment or other personal property shall not occur (i) if any Event of Default which has not been cured has occurred; or (ii) if any such removal shall adversely affect the structural integrity of the Facility or impair the overall operating efficiency of the Facility for the purposes for which it is intended, and provided further, that if any damage is occasioned to the Facility by such removal, the Company agrees to promptly repair such damage at its own expense.

Section 6.3 Taxes, Assessments and Utility Charges.

(a) The Company agrees to pay, as the same become due and before any fine, penalty, interest (except interest which is payable in connection with legally permissible installment payments) or other cost that may be added thereto or become due or be imposed by operation of law for the non-payment thereof, (i) all taxes, payments in lieu of taxes and governmental charges of any kind whatsoever which may at anytime be lawfully assessed or levied against or with respect to the Facility and any machinery, equipment or other Property installed or brought by the Company therein or thereon, including, without limiting the generality of the foregoing, any sales or use taxes imposed with respect to the Facility or any part or component thereof, or the rental or sale of the Facility or any part hereof and any taxes levied upon or with respect to the income or revenues of the Agency from the Facility; (ii) all utility and other charges, including service charges, incurred or imposed for or with respect to the operation, maintenance, use, occupancy, upkeep and improvement of the Facility; (iii) all assessments and charges of any kind whatsoever lawfully made by any governmental body for public improvements; and (iv) all payments under the PILOT Agreement; provided that, with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Company shall be obligated under this Leaseback Agreement to pay only such installments as are required to be paid during the Lease Term.

(b) The Company may in good faith contest any such taxes, assessments and other charges. In the event of any such proceedings, the Company may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such proceedings and any appeal therefrom, provided, however, that (i) neither the Facility nor any part thereof or interest therein would be in any immediate danger of being sold, forfeited or lost by reason of such proceedings and (ii) the Company shall have set aside on its books adequate reserves with respect thereto and shall have furnished such security, if any, as may be required in such proceedings or requested by the Agency.

(c) The Agency agrees that if it or the Company contests any taxes, assessments or other charges provided for in paragraph (b) hereof, all sums returned, as a result thereof, will be promptly transmitted by the Agency to the Company and that the Company shall be entitled to retain all such amounts.

(d) Within thirty (30) days of receipt of written request therefor, the Company shall deliver to the Agency official receipts of the appropriate taxing authorities or other proof reasonably satisfactory to the Agency evidencing payment of any tax.

Section 6.4 Insurance Required. At all times throughout the Lease Term, the Company shall, at its sole cost and expense, maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type and shall pay, as the same become due and payable, all premiums with respect thereto, including, but not necessarily limited to:

(a) Insurance against loss or damage by fire, lightning and other casualties customarily insured against, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the completed improvements, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Company. During the Construction Period, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) Workers' compensation insurance, disability benefits insurance and each other form of insurance which the Company or any permitted sublessee is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company or any permitted sublessee who are located at or assigned to the Facility. This coverage shall be in effect from and after the completion date or on such earlier date as any employees of the Company, any permitted sublessee, any contractor or subcontractor first occupy the Facility.

(c) Insurance protecting the Agency and the Company against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by the Company under Section 8.2 hereof) and arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or occurrence with a limit of liability of not less than \$1,000,000.00 (combined single limit for personal injury, including bodily injury or death, and property damage), comprehensive automobile liability including all owned, non-owned and hired autos with a limit of liability of not less than \$1,000,000.00 (combined single limit or equivalent for personal injury, including bodily injury or death, and property damage) protecting the Agency and the Company against any loss or liability or damage for personal injury, including bodily injury or death, or property damage.

(d) Comprehensive auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than \$1,000,000.00 (combined single limit for personal injury, including bodily injury or death, and property damage).

(e) A policy or policies of flood insurance in an amount which will adequately insure the Facility or the maximum amount of flood insurance available with respect to the Facility under the Flood Disaster Protection Act of 1973, as amended, whichever is less. This requirement will be waived upon presentation of evidence satisfactory to the Agency that no portion of the Land is located within an area identified by the U.S. Department of Housing and Urban Development as having special flood hazards.

Section 6.5 Additional Provisions Respecting Insurance.

(a) All insurance required by Section 6.4 hereof shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the entity required to procure the same and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies evidencing the insurance required by Section 6.4 hereof shall provide for at least thirty (30) days' prior written notice of the restriction, cancellation or modification thereof to the Agency.

The policy evidencing the insurance required by Section 6.4(c) hereof shall name the Agency as an additional named insured. All policies evidencing the insurance required by Sections 6.4(c) shall name the Agency and the Company as additional named insureds. The policies under Section 6.4(a) shall contain appropriate waivers of subrogation.

(b) All policies or certificates (or binders) of insurance required by Sections 6.4 hereof shall be submitted to the Agency on or before the Closing Date. The Company shall deliver to the Agency before the renewal date of each policy a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance of the types and in the amounts required by Section 6.4 hereof and complying with the additional requirements of Section 6.5(a) hereof. Prior to the expiration of each such policy, the Company shall furnish the appropriate Person with evidence that such policy has been renewed or replaced or is no longer required by this Leaseback Agreement. The Company shall provide such further information with respect to the insurance coverage required by this Leaseback Agreement as the Agency may from time to time reasonably require.

**Section 6.6 Application of Net Proceeds of Insurance.** The net proceeds of the insurance carried pursuant to the provisions of Section 6.4 hereof shall be applied as set forth in the Sublease Agreement. Once the term of the Sublease Agreement, including any renewed or extended terms, has expired or has been terminated, the net proceeds shall be applied as follows: (i) the net proceeds of the insurance required by Sections 6.4(a) and (e) hereof shall be applied as provided in Section 7.1 hereof, and (ii) the net proceeds of the insurance required by Sections 6.4(b), (c), and (d) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

**Section 6.7 Right of Agency to Pay Taxes, Insurance Premiums and Other Charges.** If the Company fails (i) to pay any tax, together with any fine, penalty, interest or cost which may have been added thereto or become due or been imposed by operation of law for nonpayment thereof, or payments-in-lieu-of-taxes pursuant to the PILOT Agreement, assessment or other governmental charge required to be paid by Section 6.3 hereof, (ii) to maintain any insurance required to be maintained by Section 6.4 hereof, (iii) to pay any amount required to be paid by any law or ordinance relating to the use or occupancy of the Facility or by any requirement, order or notice of violation thereof issued by any governmental person, (iv) to pay any mechanic's Lien which is recorded or filed against the Facility or any part thereof (unless contested in accordance with the provision of Section 8.9(b) hereof), (v) to pay any real property transfer gains tax, together with any interest and penalties thereon, which is due and payable by reason of a conveyance of the leasehold estate in and to the Facility pursuant to a judicial sale in any foreclosure action or by deed and/or assignment in lieu of foreclosure or (vi) to pay any other amount or perform any act hereunder required to be paid or performed by the Company hereunder, the Agency may but shall not be obligated to pay or cause to be paid such tax or payments-in-lieu-of-taxes pursuant to the PILOT Agreement, assessment or other governmental charge or the premium for such insurance or any such other payment or may perform any such act. No such payment shall be made or act performed by the Agency until at least ten (10) days shall have elapsed since notice shall have been given by the Agency to the Company, and in the case of any tax, assessment or governmental charge or the amounts specified in paragraphs (iii), (v) and (vi) hereof, no such payment shall be made in any event if the Company is contesting the same in good faith to the extent and as permitted by this Leaseback Agreement unless an Event of Default hereunder shall have occurred and be continuing. Notwithstanding the provisions of this Section 6.7, if, because of the Company's failure to make payments as described in this Section 6.7, either the Agency, or any of its respective members, directors, officers, agents (except the Company), or employees, shall be threatened with a fine, liability, expense or imprisonment, then the Agency may immediately make payment on behalf of the Company in avoidance thereof. No such payment by the Agency shall affect or impair any rights of the Agency hereunder

arising in consequence of such failure by the Company. The Company shall, on demand, reimburse the Agency for any amount so paid or for expenses or costs incurred in the performance of any such act by the Agency pursuant to this Section (which shall include all reasonable legal fees and disbursements), together with interest thereon from the date of payment of such amount, expense or cost by the Agency at two percent (2%) above the prime rate as established by Bank of America or its successor.

## ARTICLE VII

### DAMAGE, DESTRUCTION AND CONDEMNATION

#### Section 7.1 Damage or Destruction of the Facility.

(a) If the Facility or any part or component shall be damaged or destroyed (in whole or in part) at any time during the Lease Term:

(i) the Agency shall have no obligation to replace, repair, rebuild, restore or relocate the Facility; and

(ii) there shall be no abatement or reduction in the amounts payable by the Company under this Leaseback Agreement (whether or not the Facility is replaced, repaired, rebuilt, restored or relocated); and

(iii) upon the occurrence of such damage or destruction, the net proceeds derived from the insurance shall be paid in accordance with the terms of the Mortgages, so long as the Mortgages are in effect. After the release of the Mortgages, the net proceeds derived from the insurance shall be paid to the Company, except as otherwise provided in Section 11.1 and subsection (d) hereof, or under the terms and conditions of the Sublease.

(b) Any replacements, repairs, rebuilding, restorations or relocations of the Facility by the Company after the occurrence of such damage or destruction shall be subject to the following conditions:

(i) the Facility shall be in substantially the same condition and value as an operating entity as existed prior to the damage or destruction;

(ii) the Facility shall continue to constitute a "project" as such term is defined in the Act; and

(iii) the Facility will be subject to no Liens, other than Permitted Encumbrances and/or the Mortgages.

(c) All such repair, replacement, rebuilding, restoration or relocation of the Facility shall be effected with due diligence in a good and workmanlike manner in compliance with all applicable legal requirements, shall be promptly and fully paid for by the Company in accordance with the terms of the applicable contracts, and shall automatically become a part of the Facility as if the same were specifically provided herein.

(d) If the Company shall exercise its option to terminate this Leaseback Agreement pursuant to Section 11.1 hereof, such net proceeds shall be applied to the payment of the amounts required to be paid by Section 11.2 hereof. If an Event of Default hereunder shall have occurred and the Agency shall



have exercised its remedies under Section 10.2 hereof, such net proceeds shall be applied to the payment of the amounts required to be paid by Section 10.2 and Section 10.4 hereof.

**Section 7.2     Condemnation.**

(a) If title to or use of the Facility shall be taken by Condemnation (in whole or in part) at any time during the Lease Term:

(i) the Agency shall have no obligation to replace, repair, rebuild, restore or relocate the Facility or acquire, by construction or otherwise, facilities of substantially the same nature as the Facility ("Substitute Facilities"); and

(ii) there shall be no abatement or reduction in the amounts payable by the Company under this Leaseback Agreement (whether or not the Facility is replaced, repaired, rebuilt, restored or relocated or Substitute Facilities acquired); and

(iii) upon the occurrence of such Condemnation, the net proceeds derived therefrom shall be paid in accordance with the terms of the Sublease Agreement. After the term of the Sublease Agreement, including any renewals or extensions, has expired or has been terminated, the net proceeds derived therefrom shall be paid to the Company except as otherwise provided in Section 11.1 and subsection (d) hereof, or under the terms of the Sublease.

(b) Any replacements, repairs, rebuilding, restorations, relocations of the Facility by the Company after the occurrence of such Condemnation or acquisition by the Company of Substitute Facilities shall be subject to the following conditions:

(i) the Facility or the Substitute Facilities shall be in substantially the same condition and value as an operating entity as existed prior to the Condemnation;

(ii) the Facility or the Substitute Facilities shall continue to constitute a "project" as such term is defined in the Act; and

(iii) the Facility or the Substitute Facilities will be subject to no Liens, other than Permitted Encumbrances, and/or the Mortgages.

(c) All such repair, replacement, rebuilding, restoration or relocation of the Facility shall be effected with due diligence in a good and workmanlike manner in compliance with all applicable legal requirements, shall be promptly and fully paid for by the Company in accordance with the terms of the applicable contracts, and shall automatically become a part of the Facility as if the same were specifically described herein.

(d) If the Company shall exercise its option to terminate this Leaseback Agreement pursuant to Section 11.1 hereof, such net proceeds shall be applied to the payment of the amounts required to be paid by Section 11.2 hereof. If any Event of Default hereunder shall have occurred and the Agency shall have exercised its remedies under Section 10.2 hereof, such net proceeds shall be applied to the payment of the amounts required to be paid by Section 10.2 and Section 10.4 hereof.

**Section 7.3     Condemnation of Company-Owned Property.** The Company shall be entitled to the proceeds of any Condemnation award or portion thereof made for damage to or taking of any Property, which, at the time of such damage or taking, is not part of the Facility.

Section 7.4 Waiver of Real Property Law Section 227. The Company hereby waives the provisions of Section 227 of the Real Property Law of the State or any law of like import now or hereafter in effect.

## ARTICLE VIII

### SPECIAL COVENANTS

Section 8.1 No Warranty of Condition or Suitability by Agency. THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, TITLE, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS OF THE FACILITY OR THAT IT IS OR WILL BE SUITABLE FOR THE COMPANY'S PURPOSES OR NEEDS.

Section 8.2 Hold Harmless Provisions.

(a) The Company agrees that the Agency, its directors, members, officers, agents (except the Company) and employees shall not be liable for and agrees to defend, indemnify, release and hold the Agency, its directors, members, officers, agents (except the Company) and employees harmless from and against any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Facility or the Land or (ii) liability arising from or expense incurred by the Agency's acquiring, constructing, renovating, equipping, owning and leasing the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the Company of any of its covenants contained herein, the exercise by the Company of the authority conferred upon it pursuant to Section 4.1(d) of this Leaseback Agreement and all causes of action and attorneys' fees and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the Agency are not incurred or do not result from the gross negligence or intentional or willful wrongdoing of the Agency, or any of its directors, members, agents (except the Company) or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency or any of its members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability.

(b) Notwithstanding any other provisions of this Leaseback Agreement, the obligations of the Company pursuant to this Section 8.2 shall remain in full force and effect after the termination of this Leaseback Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought and payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described and the payment of all expenses and charges incurred by the Agency, or its respective members, directors, officers, agents and employees, relating to the enforcement of the provisions herein specified.

(c) In the event of any claim against the Agency or its members, directors, officers, agents or employees by any employee or contractor of the Company or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligation of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

Section 8.3 Right to Inspect Facility. The Agency and the duly authorized agents of the Agency shall have the right at all reasonable times to inspect the Facility.

Section 8.4 [Reserved].

Section 8.5 [Reserved].

Section 8.6 Agreement to File Annual Statements and Provide Information. The Company shall file with the New York State Department of Taxation and Finance an annual statement of the value of all sales and use tax exemptions claimed in connection with the Facility in compliance with Section 874(8) of the New York State General Municipal Law. The Company further agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning the Company, its finances, its operations and its affairs as may be necessary to enable the Agency to make any report required by law, governmental regulation or any of the Agency Documents.

Section 8.7 Books of Record and Account; Financial Statements. The Company at all times agrees to maintain proper accounts, records and book in which full and correct entries shall be made, in accordance with generally accepted accounting principles, of all transactions and events relating to the business and affairs of the Company.

Section 8.8 Compliance With Orders, Ordinances, Etc.

(a) The Company, throughout the Lease Term, agrees that it will promptly comply, and cause any Sublessee or occupant of the Facility to comply, with all statutes, codes, laws, acts, ordinances, orders, judgments, authorizations, directions and requirements, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or any part thereof or to the acquisition, construction, renovation and equipping thereof, or to any use, manner of use or condition of the Facility or any part thereof, of all federal, state, county, municipal and other governments, departments, commissions, boards, courts, authorities, officials and officers and companies or associations insuring the premises having jurisdiction of the Facility or any part thereof, or to the acquisition, construction and equipping thereof, or to any use, manner of use or condition of the Facility or any part thereof. The Company shall furnish evidence of such compliance as the Agency may reasonably require with respect thereto. The Company shall provide to the Agency prior to closing of any loan all approvals required for the construction, renovation and operation of the Facility.

(b) The Company shall construct, renovate, equip, use, operate and manage the Facility, in accordance with all applicable Environmental Laws and Environmental Permits as defined in the Environmental Compliance and Indemnification Agreement, and shall cause all operators, tenants, subtenants, licensees and occupants of the Facility to construct, renovate, equip, use, operate and manage the Facility in accordance with any applicable Environmental Laws and Environmental Permits, and shall not cause, knowingly allow or permit the Facility or any part thereof to be operated or used for the storage, treatment, generation, transportation, processing, handling, production, management or disposal of any Hazardous Substances other than in accordance with all applicable Environmental Laws and Environmental Permits. The Company shall obtain and comply with, and shall cause all contractors, subcontractors, operators, tenants, subtenants, licensees and occupants of the Facility to obtain and comply with, all Environmental Permits. The Company shall not cause or knowingly permit any change to be made in the present or intended construction, renovation, equipping, use or operation of the Facility which would (i) involve the storage, treatment, generation, transportation, processing, handling, management, production or disposal of any Hazardous Substance other than in accordance with any applicable Environmental Law, or the construction, renovation, equipping, use or operation of the Facility as a landfill or waste management or disposal site or for manufacturing or industrial purposes or for the storage of petroleum or petroleum based products other than in accordance with any applicable Environmental Law, (ii) violate any applicable Environmental Laws, (iii) constitute a violation or non-

compliance with any Environmental Permit or (iv) increase the risk of a Release of any Hazardous Substance, as said terms are defined in the Environmental Compliance and Indemnification Agreement. The Company shall promptly provide the Agency with a copy of all notifications which the Company gives or receives with respect to environmental conditions at or in the vicinity of the Facility, any past or present Release or the threat of a Release of any Hazardous Substance on, at or from the Facility or any property adjacent to or within the immediate vicinity of the Facility. If the Company receives or becomes aware of any such notification that is not in writing or otherwise capable of being copied, the Company shall promptly advise the Agency of such verbal, telephonic or electronic notification and confirm such notice in writing. The Company shall undertake and complete all investigations, studies, sampling and testing and all removal or remedial actions necessary to contain, remove and clean up all Hazardous Substances that are or may become present at the Facility and are required to be removed and/or remediated in accordance with all applicable Environmental Laws and all Environmental Permits.

The Company shall allow the Agency, its officers, members, employees, agents, representatives, contractors and subcontractors reasonable access to the Facility during regular business hours of the Company for the purposes of ascertaining the environmental conditions at, on or in the vicinity of the Facility, including, but not limited to, subsurface conditions. If at any time the Agency obtains any notice or information that the Company or the Facility or the construction, equipping, use or operation of the Facility may be in violation of an Environmental Law or in non-compliance with any Environmental Permit or standard, the Agency may require that a full or supplemental environmental inspection and audit report with respect to the Facility of a scope and level of detail reasonably satisfactory to the Agency be prepared by a professional environmental engineer or other qualified environmental scientist reasonably acceptable to the Agency, at the Company's sole cost and expense. Said audit may, but is not required to or limited to, include a physical inspection of the Facility, a records search, a visual inspection of any property adjacent to or within the immediate vicinity of the Facility, personnel interviews, review of all Environmental Permits and the conduct of a scientific testing. If necessary to determine whether a violation of an Environmental Law exists, such inspection shall also include subsurface testing for the presence of Hazardous Substances in the soil, subsoil, bedrock, surface water and/or groundwater. If said audit report indicates the presence of any Hazardous Substance or a Release or Disposal or the threat of a Release or Disposal of any Hazardous Substance on, at or from the Facility, the Company shall promptly undertake and diligently pursue to completion all necessary, appropriate investigative, containment, removal, clean up and other remedial actions required by any Environmental Law, using methods recommended by the professional engineer or other environmental scientist who prepared said audit report and acceptable to the appropriate federal, state and local agencies or authorities. For purposes of this Section, (i) "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. No. 99-499, 100 stat. 1613 (1986), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local environmental law, ordinance, rule, or regulation; (ii) "Hazardous Substance" means, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum constituents, petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, pollutants, toxic pollutants, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801, et seq.), the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601, et seq.), the Federal Waters Pollution Control Act, as amended (33 U.S.C. Sections 1251 et seq.), Articles 17 and 27 of the New York State Environmental Conservation Law or

any other applicable Environmental Law and the regulations promulgated thereunder; (iii) "Disposal" has the same meaning as given to that term in the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act, (42 U.S.C. Section 6901 et seq.); and (iv) "Release" has the same meaning as given to that term in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), and the regulations promulgated thereunder. The provisions of this Section shall be in addition to any and all other obligations and liabilities the Company may have to the Agency at common law or otherwise, and shall survive the transactions contemplated herein.

(c) The Company hereby covenants and agrees, at its sole cost and expense, to indemnify, protect, defend, save and hold harmless the Agency, its officers, directors, members, employees, agents and representatives acting in their official capacity, from and against any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, actions, proceedings, costs, disbursements or expenses (including, without limitation, reasonable attorneys' and reasonable experts' fees, expenses and disbursements, and reasonable attorneys' fees incurred to enforce the terms, conditions and provisions of this agreement) of any kind or nature whatsoever which may at any time be imposed upon, incurred by or asserted or awarded against the Agency relating to, resulting from or arising out of (i) the environmental conditions at, on or in the vicinity of the Facility, (ii) the renovation, equipping, operation or use of the Facility in violation of any applicable Environmental Law for the storage, treatment, generation, transportation, processing, handling, management, production or disposal of any Hazardous Substance or as a landfill or other waste disposal site, or for military, manufacturing or industrial purposes or for the commercial storage of petroleum or petroleum based products or otherwise, (iii) the presence of any Hazardous Substance or a Release or Disposal or the threat of a Release or Disposal of any Hazardous Substance or waste on, at or from the Facility, (iv) the failure to promptly undertake and diligently pursue to completion all necessary, appropriate and legally authorized investigative, containment, removal, clean up and other remedial actions with respect to a Release or the threat of a Release of any Hazardous Substance on, at or from the Facility, required by any Environmental Law, (v) human exposure to any Hazardous Substance, noises, vibrations or nuisances of whatever kind to the extent the same arise from the condition of the Facility or the construction, equipping, ownership, use, sale, operation, conveyance or operation thereof in violation of any Environmental Law, (vi) a violation of any applicable Environmental Law, (vii) non-compliance with any Environmental Permit or (viii) a material misrepresentation or inaccuracy in any representation or warranty or a material breach of or failure to perform any covenant made by the Company in the Environmental Compliance and Indemnification Agreement (collectively, the "Indemnified Matters").

(d) Notwithstanding the provisions of subsections (a), (b) and (c) hereof, the Company may in good faith contest the validity or the applicability of any requirement of the nature referred to in such subsections (a) and (b) by appropriate legal proceedings conducted in good faith and with due diligence. In such event, the Company may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom, unless the Agency shall notify the Company that by failure to comply with such requirement or requirements, the Facility or any part thereof may be subject to loss, penalty or forfeiture, in which event the Company shall promptly take such action with respect thereto or provide such security as shall be reasonably satisfactory to the Agency. If at any time the then existing use or occupancy of the Facility shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, the Company shall use its reasonable efforts to not cause or permit such use or occupancy to be discontinued without the prior written consent of the Agency.

(e) Notwithstanding the provisions of this Section 8.8, if, because of a breach or violation of the provisions of subsections (a), (b) or (c) hereof (without giving effect to subsection (d) hereof), the

Agency or any of its members, directors, officers, agents, or employees, shall be threatened with a fine, liability, expense or imprisonment, then, upon notice from the Agency, the Company shall immediately provide legal protection and/or pay amounts necessary or take such other necessary action which, in the opinion of the Agency and its members, directors, officers, agents and employees deem sufficient, to the extent permitted by applicable law, to remove the threat of such fine, liability, expense or imprisonment.

(f) Notwithstanding any provisions of this Section, the Agency retains the right to defend itself in any action or actions which are based upon or in any way related to such Hazardous Materials and Hazardous Substances. In any such defense of itself, the Agency shall select its own counsel, and any and all costs of such defense, including, without limitation, reasonable attorney and consultant fees, reasonable investigation and laboratory fees, court costs, and litigation expenses, shall be paid by the Company.

(g) In the event there is a conflict between the terms of this Leaseback Agreement and the Environmental Compliance and Indemnification Agreement, the terms of the Environmental Compliance and Indemnification Agreement shall be controlling, it being the intention of the Agency, the Company and the Sublessee that the Sublessee's covenants and representations, and the Sublessee's obligation to indemnify with respect to any Environmental Matters shall be governed by and under the Environmental Compliance and Indemnification Agreement. In the event of an assignment and assumption of this Leaseback Agreement by and between the Company and the Sublessee, as provided under the terms and conditions of the Sublease Agreement, Agency and the Sublessee shall amend and modify this Leaseback Agreement to delete this Section 8.8 and restate it in its entirety with terms, covenants and conditions consistent with those applicable to the Sublessee under the Environmental Compliance and Indemnification Agreement.

#### Section 8.9 Discharge of Liens and Encumbrances.

(a) The Company, throughout the Lease Term, shall not permit or create or suffer to be permitted or created any Lien, except for Permitted Encumbrances, upon the Facility or any part thereof by reason of any labor, services or materials rendered or supplied or claimed to be rendered or supplied with respect to the Facility or any part thereof.

(b) Notwithstanding the provisions of subsection (a) hereof, the Company may in good faith contest any such Lien. In such event, the Company may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the Agency shall notify the Company that by nonpayment of any such item or items, the Facility or any part thereof may be subject to loss or forfeiture, in which event the Company shall promptly secure payment of all such unpaid items by filing a bond, in form and substance satisfactory to the Agency, thereby causing such Lien to be removed or by taking such other actions as may be satisfactory to the Agency to protect their respective interests. Mechanics' Liens shall be discharged or bonded within thirty (30) days of the filing or perfection thereof.

Section 8.10 Identification of Equipment. All Equipment which is or may become the Property of the Agency pursuant to the provisions of this Leaseback Agreement shall be properly identified by the Company by such appropriate records, including computerized records, as may be approved by the Agency. All Equipment and other Property of whatever nature affixed or attached to the Land or used or to be used by the Company in connection with the Land or the Improvements shall be deemed presumptively to be owned by the Agency, rather than the Company, unless the same were utilized for purposes of construction of the Facility or were installed by the Company and title thereto was retained

by the Company as provided in Section 6.2 of this Leaseback Agreement and such Equipment and other Property were properly identified by such appropriate records as were approved by the Agency.

Section 8.11 Depreciation Deductions and Investment Tax Credit. The parties agree that, as between them, the Company shall be entitled to all depreciation deductions with respect to any depreciable property comprising a part of the Facility and to any investment credit with respect to any part of the Facility.

Section 8.12 Employment Opportunities, Notice of Jobs. The Company covenants and agrees that, in consideration of the participation of the Agency in the transactions contemplated herein, it will, except as otherwise provided by collective bargaining contracts or agreements to which it is a party, cause any new employment opportunities created in connection with the Facility to be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the Facility is located (collectively the "Referral Agencies"). The Company also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which it is a party, first consider for such new employment opportunities persons eligible to participate in federal job training partnership (PL 97-300) programs who shall be referred by the Referral Agencies.

Section 8.13 Limitation of Liability of the Agency. The liability of the Agency to the Company under this Leaseback Agreement shall be enforceable only out of the Agency's interest under this Leaseback Agreement, and there shall be no other recourse against the Agency, its officers, members, agents and employees, past, present or future, or any of the property now or hereafter owned by it or them.

## ARTICLE IX

### ASSIGNMENTS AND SUBLEASING; MORTGAGE AND PLEDGE OF INTERESTS

Section 9.1 Restriction on Sale of Facility; Release of Certain Land, Improvements and/or Equipment.

(a) Except as otherwise specifically provided in this Article IX and in Article X hereof, the Agency shall not sell, convey, transfer, encumber or otherwise dispose of the Facility or any part thereof or any of its rights under this Leaseback Agreement, without the prior written consent of the Company.

(b) Provided the rights of Sublessee under the Sublease Agreement are not affected, the Agency and the Company from time to time may release from the provisions of this Leaseback Agreement and the leasehold estate created hereby any part of, or interest in, the Land, the Improvements and/or the Equipment which is not necessary, desirable or useful for the Facility. In such event, the Agency, at the Company's sole cost and expense, shall execute and deliver, any and all instruments necessary or appropriate to so release such part of, or interest in, the Land, the Improvements and/or the Equipment and convey such title thereto or interest therein, free from the lien of the Mortgages, to the Company or such other Person as the Company may designate.

Section 9.2 Removal of Equipment.

(a) The Agency shall not be under any obligation to remove, repair or replace any inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary item of Equipment. In any instance where the Company determines that any item of Equipment (except for the Fixtures) has become

inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Company with the prior written consent of the Agency (which consent may not be unreasonably withheld but may be subject to such reasonable conditions as the Agency may deem appropriate), may remove such items from the Facility and may sell, trade-in, exchange or otherwise dispose of the same, as a whole or in part, provided that such removal will not materially impair the operation of the Facility for the purpose for which it is intended or change the nature of the Facility so that it does not constitute a "project" under the Act.

(b) The Agency shall execute and deliver to the Company all instruments necessary or appropriate to enable the Company to sell or otherwise dispose of any such item of Equipment. the Company shall pay any costs (including reasonable counsel fees) incurred in transferring title to any item of Equipment removed pursuant to this Section 9.2.

(c) The removal of any item of Equipment pursuant to this Section shall not entitle the Company to any abatement or diminution of the rents payable by it under this Leaseback Agreement.

**Section 9.3 Assignment and Subleasing.**

(a) This Leaseback Agreement may not be assigned, in whole or in part, and the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency in each instance, except to Assured Information Security under and subject to the terms of the Sublease Agreement. Any assignment or sublease shall be on the following conditions, as of the time of such assignment or sublease:

(i) no assignment or sublease shall relieve the Company from primary liability for any of its obligations hereunder;

(ii) the assignee or sublessee shall assume the obligations of the Company hereunder to the extent of the interest assigned or subleased;

(iii) the Company shall, within (10) days after the delivery thereof, furnish or cause to be furnished to the Agency a true and complete copy of such assignment or sublease and the instrument of assumption;

(iv) Neither the validity nor the enforceability of the Leaseback Agreement shall be adversely affected thereby;

(v) the Facility shall continue to constitute a "project" as such quoted term is defined in the Act;

(vi) Transaction Counsel has delivered to the Agency, at the sole cost of the Company, an opinion letter confirming that, as a result of the purported assignment or sublease of the Facility, the Facility shall continue to constitute a "project" as such quoted term is defined in the Act; and

(vii) the proposed sublessee shall execute an Environmental Compliance and Indemnification Agreement and such other documents as the Agency and its counsel may reasonably require.

(b) If the Agency shall so request, as of the purported effective date of any assignment or sublease pursuant to subsection (a) of this Section 9.3, the Company at its cost shall furnish the Agency,



with an opinion, in form and substance satisfactory to the Agency, of Independent Counsel as to item (iv) above.

(c) The Agency has reviewed and hereby approves of and consents to the the Company Documents, including but not limited to the Sublease Agreement. The Agency agrees, at the Company's expense, to cooperate with the Company and the Sublessee and to execute and deliver those documents and agreements necessary to effect and consummate the transactions contemplated in the Sublease Agreement. The Company hereby indemnifies and holds the Agency harmless in connection with the Company Documents.

Section 9.4 Mortgage and Pledge of Agency's Interests to Lender and Others.

(a) The Agency is being requested to (i) mortgage its interest in the Facility, and (ii) pledge and assign its rights to and interest in this Leaseback Agreement and in all amounts payable by the Company pursuant to Section 5.3 hereof and all other provisions of this Leaseback Agreement (other than Unassigned Rights) to Lender and to the Sub-CDE. The Agency hereby consents to such mortgages, pledges and assignments by the Agency and the Company shall pay the reasonable attorneys' fees incurred by the Agency in connection with the same. Notwithstanding the foregoing, all indemnities herein contained shall subsequent to such mortgages, pledges and assignments continue to run to the Agency for its benefit.

(b) The Agency may be requested to (i) mortgage its interest in the Facility, and (ii) pledge and assign its rights to and interest in this Leaseback Agreement and in all amounts payable by the Company pursuant to Section 5.3 hereof and all other provisions of this Leaseback Agreement (other than Unassigned Rights) to a lending institution. The Agency shall not unreasonably withhold its consent to such mortgage, pledge and assignment by the Agency and the Company shall pay the reasonable attorneys' fees incurred by the Agency in connection with any such future mortgage financing. Notwithstanding the foregoing, all indemnities herein contained shall subsequent to such mortgage, pledge and assignment continue to run to the Agency for its benefit.

Section 9.5 [Reserved]

Section 9.6 Merger of Agency.

(a) Nothing contained in this Leaseback Agreement shall prevent the consolidation of the Agency with, or merger of the Agency into, or transfer of title to the entire Facility to any other public benefit corporation or political subdivision which has the legal authority to own and lease the Facility, provided that upon any such consolidation, merger or transfer, the due and punctual performance and observance of all the agreements and conditions of this Leaseback Agreement to be kept and performed by the Agency shall be expressly assumed in writing by the public benefit corporation or political subdivision resulting from such consolidation or surviving such merger or to which the Facility shall be transferred.

(b) Within thirty (30) days after the consummation of any such consolidation, merger or transfer of title, the Agency shall give notice thereof in reasonable detail to the Company and shall furnish to the Company, at the sole cost and expense of the Company, a favorable opinion of Independent Counsel as to compliance with the provisions of Section 9.6(a) hereof. The Agency promptly shall furnish such additional information with respect to any such transaction as the Company may reasonably request.

## ARTICLE X

### EVENTS OF DEFAULTS AND REMEDIES

#### Section 10.1 Events of Default Defined.

(a) The following shall be "Events of Default" under this Leaseback Agreement:

(i) the failure by the Company to pay or cause to be paid on the date due, the amount specified to be paid pursuant to Section 5.3(a) and (b) hereof and upon failure to cure such default within five (5) days of receipt of notice as herein provided;

(ii) the failure by the Company to observe and perform any covenant contained in Sections 8.6 and 9.3 hereof, within five (5) days after receipt of notice;

(iii) any representation or warranty of the Company herein or in any of the the Company Documents shall prove to have been false or misleading in any material respect;

(iv) the failure by the Company to observe and perform any covenant, condition or agreement hereunder on its part to be observed or performed (except obligations referred to in 10.1(a)(i), (ii), and (iii)) for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, given to the Company by the Agency;

(v) the failure by the Company to release, stay, discharge, lift or bond within thirty (30) days any execution, garnishment, judgment or attachment of such consequence as may impair its ability to carry on its operations; or the failure by the Company generally to pay its debts as they become due; or an assignment by the Company for the benefit of creditors; the commencement by the Company (as the debtor) of a case in Bankruptcy or any proceeding under any other insolvency law; or the commencement of a case in Bankruptcy or any proceeding under any other insolvency law against the Company (as the debtor) and a court having jurisdiction in the premises enters a decree or order for relief against the Company as the debtor in such case or proceeding, or such case or proceeding is consented to by the Company or remains undismissed for forty (40) days, or the Company consents to or admits the material allegations against it in any such case or proceeding; or a trustee, receiver or agent (however named) is appointed or authorized to take charge of substantially all of the property of the Company for the purpose of enforcing a lien against such Property or for the purpose of general administration of such Property for the benefit of creditors;

(vi) the invalidity, illegality or unenforceability of the PILOT Agreement or the failure of the Company to make payments thereunder when due; or

(vii) a breach of any covenant or representation contained in Section 8.8 hereof with respect to environmental matters.

(b) Notwithstanding the provisions of Section 10.1(a), if by reason of force majeure any party hereto shall be unable in whole or in part to carry out its obligations under Sections 4.1 and 6.1 of this Leaseback Agreement and if such party shall give notice and full particulars of such force majeure in writing to the other party, within a reasonable time after the occurrence of the event or cause relied upon, such obligations under this Leaseback Agreement of the party giving such notice (and only such obligations), so far as they are affected by such force majeure, shall be suspended during continuance of the inability, which shall include a reasonable time for the removal of the effect thereof. The term "force

majeure" as used herein shall include, without limitation, acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, acts, priorities or orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, governmental subdivisions, or officials, or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fire, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accident to machinery, transmission pipes or canals, shortages of labor or materials or delays of carriers, partial or entire failure of utilities, shortage of energy or any other cause or event not reasonably within the control of the party claiming such inability and not due to its fault. The party claiming such inability shall remove the cause for the same with all reasonable promptness. It is agreed that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the party having difficulty, and the party having difficulty shall not be required to settle any strike, lockout and other industrial disturbances by acceding to the demands of the opposing party or parties.

**Section 10.2 Remedies on Default.**

(a) Whenever any Event of Default shall have occurred, the Agency may take, to the extent permitted by law, any one or more of the following remedial steps:

(i) declare, by written notice to the Company, to be immediately due and payable, whereupon the same shall become immediately due and payable: (A) all unpaid installments of rent payable pursuant to Section 5.3(a) and (b) hereof and (B) all other payments due under this Leaseback Agreement; provided, however, that if an Event of Default specified in Section 10.1(a)(v) hereof shall have occurred, such installments of rent and other payments due under this Leaseback Agreement shall become immediately due and payable without notice to the Company or the taking of any other action by the Agency;

(ii) terminate its leasehold interest in the Facility and terminate the PILOT Agreement. The Agency shall have the right to execute an appropriate termination document(s) with respect to the Facility and to place the same on record in the Oneida County Clerk's Office, at the expense of the Company, and in such event the Company waives delivery and acceptance of such deed. the Company does hereby appoint the Agency as its true and lawful agent to execute such instruments and documents as may be necessary and appropriate to effectuate such termination as aforesaid. Such appointment of the Agency as the agent of the Company shall be deemed to be an agency coupled with an interest and such appointment shall be irrevocable;

(iii) take any other action at law or in equity which may appear necessary or desirable to collect the payments then due or thereafter to become due hereunder, to secure possession of the Facility, and to enforce the obligations, agreements or covenants of the Company under this Leaseback Agreement.

(b) No action taken pursuant to this Section 10.2 (including repossession or conveyance of the Facility) shall relieve the Company from its obligation to make all payments required hereunder.

(c) After an Event of Default shall have occurred, the Company shall have the right upon notice to the Agency to enter the Facility with agents or representatives of the Agency to remove any equipment or other personalty owned by the Company if such equipment or personalty is not part of the Facility.

Section 10.3 Remedies Cumulative. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Leaseback Agreement or any of the other Transaction Documents or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article X, it shall not be necessary to give any notice, other than such notice as may be herein expressly required in this Leaseback Agreement.

Section 10.4 Agreement to Pay Attorneys' Fees and Expenses. In the event the Company should default under any of the provisions of this Leaseback Agreement and the Agency should employ attorneys or incur other expenses for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the Company herein contained, the Company shall, on demand therefor, pay to the Agency the reasonable fees of such attorneys and such other expenses so incurred.

Section 10.5 No Additional Waiver Implied by One Waiver. In the event any agreement contained herein should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.6 Recapture.

(a) Employment Obligation. In its Application for Financial Assistance, the Company has committed to the Sublessee maintaining eighty-one (81) full time equivalent jobs and creating thirty-nine (39) new, full time equivalent jobs as a result of the construction, renovation and equipping of the Facility (the "Employment Obligation"). The benefits relating to the AIS Facility under the PILOT Agreement are conditioned upon Sublessee meeting the Employment Obligation. The Sublessee has also committed to certain employment goals set forth in an Incentive Proposal dated June 3, 2010 and Exhibit C - Employment Goals and Recapture Terms that will be incorporated as part of the Final Grant Disbursement Agreement by and between the Company and Empire State Development Corporation (the "Incentive Proposal"), the terms of which are hereby incorporated by reference. Capitalized terms used herein and not otherwise defined shall have the same meanings as set forth in the Grant Disbursement Agreement.

(b) Employment Report. The Company shall submit to the Agency an annual employment report (the "Employment Report") as required under Section 8.6 herein for the purposes of determining whether the Sublessee has met the Employment Obligation. If the Company fails to file an Employment Report as required under Section 8.6, it shall be deemed to have not met the Employment Obligation.

(c) Facility Closure. If at any time during the Lease Term the Sublessee moves its facility to a facility outside of Oneida County and, as a result, fails to achieve the Employment Obligation, then the Agency may declare this Leaseback Agreement in default and immediately terminate the Leaseback Agreement and the PILOT Agreement.

(d) Shortfall.

(i) So long as the Grant Disbursement Agreement is in effect and the Company has met the Employment Obligation set forth therein, the Company shall be deemed to have met the Employment Obligation as it pertains to the PILOT Agreement. If at any time during the term of the Grant Disbursement Agreement the Full-time Permanent Employee Count is less than eighty-five (85%) percent of the Employment Obligation (a "Shortfall"), the PILOT Agreement shall be amended for the following year to reflect a real property tax exemption with respect to the AIS Facility in an amount equal to (a) the value of the real property tax exemption under the PILOT Agreement for the current year of the Lease Term divided by the Employment Obligation multiplied by (b) the difference between the Employment Obligation and the actual number of FTEs listed on the Employment Report multiplied by (c) 1.5.

(ii) If after the termination of the Grant Disbursement Agreement, a Shortfall shall have been deemed to occur if the Full-time Permanent Employee Count is less than eighty (80%) percent of the Employment Obligation, and the PILOT Agreement shall be amended for the following year to reflect a real property tax exemption with respect to the AIS Facility in an amount equal to (a) the value of the real property tax exemption under the PILOT Agreement for the current year of the Lease Term divided by the Employment Obligation multiplied by (b) the difference between the Employment Obligation and the actual number of FTEs listed on the Employment Report.

(iii) In the event of a Shortfall, the Agency shall notify the Company in writing of its intention to amend the PILOT, and the Company shall have until June 30 following the date of the notice to cure the Shortfall.

(iv) Notwithstanding any of the foregoing, a Shortfall shall not have occurred where the Shortfall is a result of a major casualty to or condemnation of the Facility.

(e) The Agency in granting benefits retains all rights to impose, delay or waive penalties and the right to deviate from these recapture provisions.

(f) No violation of these provisions in Section 10.6 will, in and of itself, constitute a default of any financing debt instrument.

Section 10.7 Subordination, Non-Disturbance and Attornment Agreement. At the request of the Company and Sublessee, Agency will enter into a Subordination Non-Disturbance and Attornment Agreement substantially in the form annexed to this Leaseback Agreement as Exhibit C.

## ARTICLE XI

### EARLY TERMINATION OF LEASEBACK AGREEMENT; OPTION IN FAVOR OF THE COMPANY

Section 11.1 Early Termination of Leaseback Agreement. Provided the Sublease Agreement survives as a direct lease between the Company and Sublessee, the Company shall have the option to terminate this Leaseback Agreement at any time upon filing with the Agency a certificate signed by an Authorized Representative of the Company stating the Company's intention to terminate this Leaseback Agreement pursuant to this Section and the date upon which such payments required by Section 11.2 hereof shall be made (which date shall not be less than 45 nor more than 90 days from the date such certificate is filed) and upon compliance with the requirements set forth in Section 11.2 hereof.

Section 11.2 Conditions to Early Termination of Leaseback Agreement. In the event the Company exercises its option to terminate this Leaseback Agreement in accordance with the provisions of Section 11.1 hereof, the Company shall make the following payments:

(a) To the Agency or the Taxing Authorities (as such term is defined in the PILOT Agreement), as appropriate pursuant to the terms of the PILOT Agreement: all amounts due and payable under the PILOT Agreement as of the date of the conveyance described in Section 11.3 hereof.

(b) To the Agency: an amount certified by the Agency sufficient to pay all unpaid fees and expenses of the Agency incurred under the Agency Documents.

Section 11.3 Obligation to Purchase Facility. Upon termination or expiration of the Leaseback Term, in accordance with Sections 5.2 or 11.1 hereof, the Company shall purchase the Facility from the Agency for the purchase price of One Dollar (\$1.00). The Company shall purchase the Facility by giving written notice to the Agency (which may be contained in the certificate referred to in Section 11.1 hereof) (i) declaring the Company's election to purchase and (ii) fixing the date of closing such purchase, which shall be the date on which this Leaseback Agreement is to be terminated.

Section 11.4 Conveyance on Termination. Upon termination pursuant to Section 11.3 hereof, the Agency shall, upon receipt of the purchase price, deliver to the Company all necessary documents (i) to terminate the Agency's leasehold interest in and to the Property, as such Property exists, subject only to the following: (A) any Liens to which title to such Property was subject when the leasehold interest was conveyed to the Agency, (B) any Liens created at the request of the Company, to the creation of which the Company consented or in the creation of which the Company acquiesced, (C) any Permitted Encumbrances and (D) any Liens resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Leaseback Agreement or arising out of an Event of Default hereunder, and (ii) to release and convey to the Company all of the Agency's rights and interest in and to any rights of action or any net proceeds of insurance or Condemnation awards with respect to the Facility (but not including any Unassigned Rights). Upon the termination of the leasehold interest in the Facility by the Agency pursuant to this Article XI, the PILOT Agreement shall terminate.

**ARTICLE XII**  
**MISCELLANEOUS**

**Section 12.1 Notices.** All notices, certificates and other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, postage prepaid, return receipt requested, addressed as follows or to such other address as any party may specify in writing to the other:

To the Agency:

Oneida County Industrial Development Agency  
584 Phoenix Drive  
Rome, New York 13441  
Attn: Executive Director

With a copy to:

Linda E. Romano, Esq.  
Bond, Schoeneck & King, PLLC  
501 Main Street  
Utica, New York 13501

To the Company:

Cardinal Griffiss Realty, LLC  
584 Phoenix Drive  
Rome, New York 13441  
Attn: Steven J. DiMeo, Authorized Representative

With a copy to:

Camille T. Kahler, Esq.  
Saunders Kahler, L.L.P.  
185 Genesee Street, Suite 1400  
Utica, New York 13501

**Section 12.2 Binding Effect.** This Leaseback Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

**Section 12.3 Severability.** In the event any provision of this Leaseback Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 12.4 Amendments, Changes and Modifications.** This Leaseback Agreement may be amended, changed, modified, altered or terminated by the parties hereto, but only by means of a writing executed by such parties.

Nothing contained herein is intended to limit or restrict the Agency's rights under this Leaseback Agreement in the event of a default by the Company (which is not cured by the Company or the Sublessee within the applicable period of notice and/or grace, if any).

Section 12.5 Execution of Counterparts. This Leaseback Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.6 Applicable Law. This Leaseback Agreement shall be governed exclusively by the applicable laws of the State without regard or reference to its conflict of laws principles.

Section 12.7 [Reserved]

Section 12.8 Survival of Obligations. This Leaseback Agreement shall survive the performance of the obligations of the Company to make payments hereunder and all indemnities shall survive the foregoing and any termination or expiration of this Leaseback Agreement.

Section 12.9 Table of Contents and Section Headings not Controlling. The Table of Contents and the headings of the several Sections in this Leaseback Agreement have been prepared for convenience of reference only and shall not control or affect the meaning of or be taken as an interpretation of any provision of this Leaseback Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, the Agency and the Company have caused this Leaseback Agreement to be executed in their respective names by their duly authorized officers, all as of August 1, 2010.

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: 

Name: David C. Grow

Title: Chairman

CARDINAL GRIFFISS REALTY, LLC

By: 

Name: Steven J. DiMeo

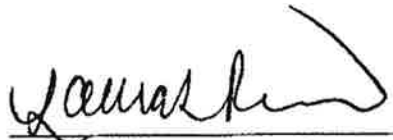
Title: Its Authorized Representative

STATE OF NEW YORK )

: ss.:

COUNTY OF ONEIDA )

On the 31st day of August 2010, before me, the undersigned a notary public in and for said state, personally appeared DAVID C. GROW, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

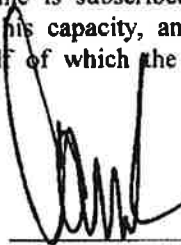
LAURA S. RUBERTO  
Notary Public, State of New York  
Appointed in Oneida County  
Commission Expires 12/31/11

STATE OF NEW YORK )

: ss.:

COUNTY OF ONEIDA )

On the 31 day of August, 2010, before me, the undersigned a notary public in and for said state, personally appeared STEVEN J. DIMEO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

CAMILLE E. KASPER  
NOTARY PUBLIC, State of New York  
Admitted in Oneida County  
My Commission Expires 12/31/10

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**EXHIBIT A**

**A-I**

1732239.3 5/30/2010 1882836 2 4/29/2010

## **SCHEDULE "A"**

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the City of Rome, County of Oneida and State of New York shown on a map entitled "Map Showing A Portion of Lands of Oneida County Industrial Development Agency Located at 153 Brooks Road in the City of Rome, County of Oneida, State of New York " made by Michael P. Waters, P.L.S. No. 050027, dated April 09, 2010, and last revised August 26, 2010 (sometimes hereinafter referred to as the "Survey Map"), which said tract, piece or parcel of land (hereinafter sometimes referred to as the "Building 301 Parcel") is more particularly bounded and described as follows:

Beginning at the intersection of the proposed southerly street boundary of Brooks Road with the division line between the herein described Building 301 Parcel on the west and the lands of The United States of America (reputed owner) on the east; said point being South  $01^{\circ}41'33''$  East, 26.58 feet from a disk set in concrete stamped 'AFRL-25';

thence South  $01^{\circ}41'33''$  East along the last mentioned division line 92.77 feet to capped iron rod found, stamped 'AFRL-24' located at the intersection of said division line and the division line between the herein described Building 301 Parcel on the north and said lands of The United States of America (reputed owner) on the south;

thence South  $88^{\circ}18'27''$  West along the last mentioned division line 38.48 feet to capped iron rod found stamped 'AFRL-23' located at the intersection of said division line and the division line between the herein described Building 301 Parcel on the west and said lands of The United States of America (reputed owner) on the east;

thence South  $01^{\circ}41'33''$  East along the last mentioned division line 179.14 feet to a disk set in concrete stamped 'AFRL-22' located at the intersection of said division line and the division line between the herein described Building 301 Parcel on the south and said lands of The United States of America (reputed owner) on the north;

thence North  $88^{\circ}18'27''$  East along the last mentioned division line 259.94 feet to its intersection with the proposed westerly street boundary of March Street;

thence South  $01^{\circ}41'36''$  East along said proposed westerly street boundary of March Street 293.46 feet to a point on said proposed westerly street boundary of March Street;

thence South  $88^{\circ}24'10''$  West through the lands of Oneida County Industrial Development Agency (reputed owner) 683.66 feet to its intersection with the proposed easterly highway boundary of "The Griffiss Veteran's Memorial Parkway", NYS Route 825;

thence North  $07^{\circ}10'50''$  West along said proposed easterly highway boundary of "The Griffiss Veteran's Memorial Parkway", NYS Route 825, 499.93 feet to its intersection with the proposed southeasterly highway boundary of "The Griffiss Veteran's Memorial Parkway", NYS Route 825;

thence North  $66^{\circ}32'38''$  East along said proposed southeasterly highway boundary of "The Griffiss Veteran's Memorial Parkway", NYS Route 825, 181.13 feet to its intersection with the aforementioned southerly street boundary of Brooks Road;

thence North 88° 24' 10" East along said southerly street boundary of Brooks Road 340.91 feet to the place of beginning, being 328,144.9 ± sq. ft. or 7.533 ± acres, more or less.

TOGETHER WITH an easement (hereinafter referred to as the "Sanitary Sewer Easement") to construct, reconstruct, replace, install, repair, maintain and operate a sanitary sewer line or lines, system or systems, and all facilities and/or equipment appurtenant thereto, across, upon and under, the following parcel:

ALL THAT TRACT, PIECE OR PARCEL OF LAND situate in the City of Rome, County of Oneida and State of New York, more particularly bounded and described as follows:

Beginning at a point on the easterly boundary line of said Building 301 Parcel described above; said point being South 01° 41' 33" East along said easterly boundary line of said Building 301 Parcel described above 41.70 feet from a capped iron rod found, stamped 'AFRL-23';

thence through the lands of The United States of America (reputed owner) the following ten (10) courses and distances:

1. North 68° 03' 36" East, 152.04 feet to a point;
2. South 89° 53' 26" East, 53.09 feet to a point;
3. South 01° 19' 20" East, 11.94 feet to a point;
4. North 88° 34' 15" East, 29.47 feet to a point;
5. South 01° 26' 14" East, 5.63 feet to a point;
6. North 88° 34' 14" East, 8.68 feet to a point;
7. North 01° 25' 50" West, 6.18 feet to a point;
8. North 88° 33' 55" East, 18.61 feet to a point;
9. North 01° 25' 58" West, 8.71 feet to a point;
10. South 89° 23' 56" East, 17.38 feet to its intersection with the proposed westerly street boundary of March Street;

thence South 01° 41' 33" East along said proposed westerly street boundary of March Street 30.02 feet to a point on said proposed westerly street boundary of March Street;

thence through the lands of The United States of America (reputed owner) the following two (2) courses and distances:

1. North 89° 23' 56" West, 123.04 feet to a point;
2. South 68° 03' 36" West, 156.55 feet to its intersection with the aforementioned easterly boundary line of said Building 301 Parcel;

thence North 01° 41' 33" West along said easterly boundary line of said Building 301 Parcel 31.99 feet to the place of beginning, being 7,785.1 ± sq. ft. or 0.179 acre, more or less.

The location of the Sanitary Sewer Easement is shown on the Survey Map.

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**EXHIBIT B**

**EQUIPMENT**

**All fixtures, building materials and items of personal property acquired, constructed, renovated and installed and/or to be acquired, constructed, renovated and installed in connection with the completion of the Cardinal Griffiss Realty, LLC Facility located in the City of Rome, Oneida County, New York.**

EXHIBIT C

SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2010, by and among ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, 584 Phoenix Drive, Rome, New York 13441 ("OCIDA"), CARDINAL GRIFFISS REALTY, LLC, a New York limited liability company, 584 Phoenix Drive, Rome, New York 13441 ("Borrower"), ASSURED INFORMATION SECURITY, INC., a New York business corporation, 245 Hill Road, Rome, New York 13441 ("Tenant") and \_\_\_\_\_ ("Lender"). OCIDA, Borrower, Tenant and Lender may also be identified individually in this Agreement as a "Party" or collectively as the "Parties".

**PRELIMINARY STATEMENT**

The fee simple title to the parcel of land described on Exhibit A annexed to this Agreement and the building and other improvements to be constructed by Borrower thereon (the "Property") is held by Borrower. OCIDA holds a leasehold interest in and to the Property, subject to a Leaseback Agreement between OCIDA and Borrower (the "Leaseback Agreement"). Borrower has entered into a Sublease, made as of \_\_\_\_\_, 2010, with Tenant (the "Sublease"), under which Tenant is leasing from Borrower the premises described in the Sublease (the "Premises"). Lender is the holder of a mortgage on the Property securing one or more loans from Lender to Borrower and may be the holder of one or more mortgages granted after the date of this Agreement to secure one or more future loans from Lender to Borrower. The existing mortgage held by Lender and any future mortgage that may be held by Lender will be identified collectively in this Agreement as the "Mortgage".

FOR VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. **SUBORDINATION.** The Sublease, and the rights of the Tenant in, to and under the Sublease are hereby made subject, junior and subordinate in all respects to the Leaseback Agreement and Mortgage and to all renewals, modifications, consolidations, replacements and extensions of the Leaseback Agreement and Mortgage, except that the terms of the Sublease shall govern the disposition of the proceeds of insurance and condemnation in the event of a casualty or condemnation.

2. **NON-DISTURBANCE.** So long as the Tenant is not in default, beyond any applicable period of notice and grace, under any of the terms, covenants or conditions of the Sublease on the Tenant's part to be performed, then: (a) the Tenant's possession of the Premises shall not be diminished or interfered with by the OCIDA or Lender; (b) the Sublease shall not be terminated or affected by the exercise of any remedy provided for in the Leaseback Agreement by OCIDA, or in the Mortgage by Lender; (c) the Tenant's rights under the Sublease, shall not be diminished or interfered with by OCIDA or Lender; and (d) in the event that OCIDA or Lender succeeds to the rights of Borrower under the Sublease, the Sublease shall be preserved as a lease between OCIDA or Lender, as the case may be, and the Tenant in accordance with the terms of this Agreement.

3. **ATTORNMEN**. In the event that OCIDA or Lender succeeds to the interest of Borrower under the Sublease, then OCIDA will not terminate the PILOT Agreement (as defined in the Leaseback Agreement):

(a) **Duties of Tenant**. Tenant shall be bound to OCIDA or Lender, as the case may be, and OCIDA or Lender, as the case may be, shall be bound to Tenant, under all of the terms, covenants and conditions of the Sublease for the remaining term of the Sublease, and any extensions or renewals of the Sublease which may be effected in accordance with the Sublease, with the same force and effect as if OCIDA or Lender, as the case may be, were the original landlord under the Sublease, except that Paragraph 3(b) below and the other provisions of this Agreement shall modify the Sublease, and Tenant will attorn to OCIDA or Lender, as the case may be, as the Tenant's landlord, the attornment to be effective and self-operative without the execution of any further instrument. In no event shall Tenant terminate the Sublease as a result of any breach or default of the Sublease unless Tenant has provided OCIDA and Lender notice and afforded OCIDA or Lender the same opportunity to cure such breach or default as provided to Tenant's landlord under the Sublease.

(b) **Limitations**. It is agreed that in no event shall OCIDA or Lender:

(1) Be liable for any act or omission of any prior landlord (including the Borrower) nor for any consequential damages for any default of any prior landlord (including Borrower);

(2) Be obligated to cure any defaults of any prior landlord (including the Borrower) or subject to any offsets or defenses which Tenant may have against any prior landlord (including Borrower) which occurred prior to the date OCIDA or Lender, as the case may be, succeeded to the interest of such prior landlord under the Sublease; provided that from and after the date OCIDA or Lender, as the case may be, succeeds to the interest of a prior landlord under the Sublease, OCIDA or Lender, as the case may be, shall be obligated to cure any continuing default of the prior landlord (including the Borrower) under the Sublease and, in no event, shall OCIDA or Lender be liable for any amounts owed or be obligated to cure any defaults of any prior landlord, including Borrower (except in the event OCIDA or Lender were to assume such obligations of any prior landlord, including Borrower);

(3) Be bound by any payment of any monthly installment of Base Rent under the Sublease made more than thirty (30) days prior to the date the installment of Base Rent is due and payable under the Sublease;

(4) Be liable to pay Tenant any sum(s) that any prior landlord (including Borrower) owed to Tenant or with respect to any security deposited with any prior landlord (including Borrower), unless such sum(s) and/or security was actually delivered to OCIDA or Lender; or

(5) Be bound by any amendment or modification of the Sublease made without OCIDA's or Lender's written consent.

4. **MISCELLANEOUS**. The Parties further agree as follows:

(a) **Governing Law**. This Agreement shall be construed according to the laws of the State of New York.

(b) **Successors and Assigns**. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors and assigns of each party to this Agreement.



(c) **Notices.** Notice from one party to another relating to this Agreement shall be deemed effective if made in writing and delivered to the recipient's address by any of the following means: (i) hand delivery, (ii) registered or certified mail, postage prepaid, or (iii) express mail or other overnight courier service. Notice made in accordance with these provisions shall be deemed delivered on receipt if delivered by hand, or on the third business day after mailing if mailed by registered or certified mail, or on the next business day after mailing or deposit with the postal service or an overnight courier service if delivered by express mail or overnight courier.

(d) **Amendments.** Any amendment of this Agreement shall be in writing and shall require the signature of all Parties.

(e) **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which when taken together shall constitute one original.

(f) **WAIVER OF JURY TRIAL.** THE TENANT, THE BORROWER AND THE LENDER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT.

(g) **Agency Indemnification.** Borrower, Tenant and Lender agree that the Agency, its directors, members, officers, agents (except the Borrower and Tenant) and employees shall not be liable for and Borrower, Tenant and Lender agree to defend, indemnify, release and hold the Agency, its directors, members, officers, agents (except the Borrower and Tenant) and employees harmless from and against any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Facility or the Land or (ii) liability arising from or expense incurred by the Agency's financing, acquiring, constructing, renovating, equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the Borrower or the Tenant of any of their respective covenants contained herein and all causes of action and attorneys' fees and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the Agency are not incurred or do not result from the gross negligence or intentional or willful wrongdoing of the Agency, or any of its directors, members, agents (except the Borrower and Tenant) or employees.

*(Signatures on following page)*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year noted above.

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name:  
Title:

CARDINAL GRIFFISS REALTY, LLC

By: \_\_\_\_\_  
Name: Stephen J. MiMeo  
Title: Authorized Representative

ASSURED INFORMATION SECURITY, INC.

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
  
By: \_\_\_\_\_  
Name:  
Title:

OCIDA

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

On \_\_\_\_\_, 20\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

Borrower

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

On \_\_\_\_\_, 20\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

Tenant

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

On \_\_\_\_\_, 20\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

Lender

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

On \_\_\_\_\_, 20\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

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**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

## SCHEDULE A

### SCHEDULE OF DEFINITIONS

**"Act"** means, collectively, Title 1 of Article 18-A of the General Municipal Law of the State enacted into law as Chapter 1030 of the Laws of 1969 of the State, as amended together with Chapter 372 of the Laws of 1970 of the State, as amended.

**"Agency"** means the (i) Oneida County Industrial Development Agency, its successors and assigns, and (ii) any local governmental body resulting from or surviving any consolidation or merger to which the Agency or its successors may be a party.

**"Agency Documents"** means the Release Agreement, the OCIDA Deed, the Lease Agreement, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement, the Sublessee Environmental Compliance and Indemnification Agreement, the OSB Mortgage, the OSB Pledge and the OSB Assignment, the Sub-CDE Mortgage, the Sub-CDE Pledge, the Sub-CDE Assignment, the OSB Mortgage B, the OSB Pledge B, the OSB Assignment B, the OSB Mortgage C, the OSB Pledge C, the OSB Assignment C, the EDGE Mortgage C, the EDGE Pledge C, the EDGE Assignment C, the MORECO Mortgage A, the MORECO Pledge A, the MORECO Assignment A, the RIDC Mortgage A, the RIDC Pledge B and the RIDC Assignment B.

**"AIS Facility"** means the ±35,718 gross square foot portion of the Facility that is leased to Sublessee under the Sublease Agreement.

**"Authorizing Resolution"** means the resolution adopted by the Agency on the 18th day of June 2010 authorizing the execution and delivery of the Agency Documents as such resolution may be amended and supplemented from time to time.

**"Authorized Representative"** means, in the case of the Agency, the Chairman, Vice Chairman, Secretary, Assistant Secretary or Executive Director of the Agency; in the case of the Company, its Authorized Representative ; in the case of Sublessee its \_\_\_\_\_; and in the case of all, such additional persons as, at the time, are designated to act on behalf of the Agency, the Company or the Sublessee, as the case may be, by written certificate furnished to the Agency, the Company or the Sublessee, as the case may be, containing the specimen signature of each such person and signed on behalf of (i) the Agency by the Chairman, Vice Chairman, Secretary, Assistant Secretary or Executive Director of the Agency, (ii) the Company by the Authorized Representative of the Company, (iii) the Sublessee by the \_\_\_\_\_ the Sublessee.

**"Business Day"** means any day other than a Saturday, a Sunday, a legal holiday or a day on which banking institutions in New York, New York are authorized by law or executive order to remain closed.

**"Clerk"** means the Office of the Oneida County Clerk.

**"Closing Date"** means the date of delivery of the Leaseback Agreement.

**"Company"** means Cardinal Griffiss Realty, LLC, a New York limited liability company with its principal offices at 584 Phoenix Drive, Rome, New York 13441 and its successors and assigns.

"Company Documents" means the Release Agreement, the GLDC Deed, the Lease Agreement, the Leaseback Agreement, the Sublease Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement, the Sub-CDE Mortgage, the Sub-CDE Pledge, the Sub-CDE Assignment, the OSB Mortgage, the OSB Pledge and the OSB Assignment.

"Company Facility" means that 10,782± gross square foot portion of the Facility that is not, as of the date of this Leaseback Agreement, leased to Sublessee under the Sublease Agreement.

"Condemnation" means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any governmental entity or other Person acting under governmental authority.

"Construction Period" means the period (a) beginning on the earlier of (i) the date of commencement of acquisition, construction, renovation and equipping of the Facility, which date shall not be prior to February 25, 2010, or (ii) the Closing Date and (b) ending on the completion date.

"Deed" means the Deed given by the United States of America, acting by and through the Secretary of the Air Force, to the Agency dated May 13, 2002 and recorded in the Oneida County Clerk's Office on January 22, 2003 as Instrument Number R2003-001612.

"EDGE" means Economic Development Growth Enterprise Corporation, a New York not-for-profit corporation having an office at 584 Phoenix Drive, Rome, New York 13441, and its successors and assigns.

"EDGE Assignment C" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and GLDC to EDGE securing the EDGE Loan C which shall be recorded with the Clerk, as the same may be amended from time to time.

"EDGE Loan C" means the loan from EDGE to GLDC in the original principal amount of \$500,000 secured by the GLDC Land.

"EDGE Mortgage C" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and GLDC to EDGE securing the EDGE Loan C, which shall be recorded with the Clerk, as the same may be amended from time to time.

"EDGE Pledge C" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to EDGE with acknowledgment by GLDC which secures the EDGE Loan C, which shall be recorded with the Clerk, as the same may be amended from time to time.

"Employment Obligation" means the retention of eighty-one (81) full-time jobs, and the creation of no less than thirty-nine (39) full-time jobs on as a result of the construction, renovation and equipping of the Facility.

"Environmental Compliance and Indemnification Agreement" means the Environmental Compliance and Indemnification Agreement dated as of August 1, 2010 from the Company to the Agency, the Lender and the Sub-CDE, as the same may be amended from time to time.

"Environmental Matters" means any matter, circumstance or condition, known or unknown, concerning the soil, surface waters, groundwater, land, stream sediments, surface or subsurface strata and ambient air on or about the Land and/or the Facility, including but not limited in any respect to any

within the bounds of, and are described in, any right-of-way or easement affecting the Facility (e.g., rail improvements). The term Improvements does, however, include utility pipes, lines, conduits, etc. which service only the building (e.g., utility laterals).

"Independent Counsel" means an attorney or attorneys or firm or firms of attorneys duly admitted to practice law before the highest court of any state of the United States of America or in the District of Columbia and not a full time employee of the Agency, the Company, or the Sublessee.

"Land" means the property leased by the Agency to the Company pursuant to the Leaseback Agreement and more particularly described in Exhibit A attached thereto.

"Lease Agreement" means the Lease Agreement dated as of August 1, 2010 by and between the Company, as lessor, and the Agency, as lessee, with respect to the Facility, as the same may be amended from time to time.

"Leaseback Agreement" means the Leaseback Agreement dated as of August 1, 2010 by and between the Agency, as lessor, and the Company, as lessee, with respect to the Facility, as the same may be amended from time to time.

"Lease Term" means the duration of the leasehold estate created in the Leaseback Agreement as specified in Section 5.2 of the Leaseback Agreement.

"Lender" means Oneida Savings Bank, a New York savings bank with offices at 182 Main Street, Oneida, New York 13421-1676, and its successors and assigns.

"Lien" means any interest in Property securing an obligation owed to a Person whether such interest is based on the common law, statute or contract, and including but not limited to, the security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservation, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other similar title exceptions and encumbrances, including but not limited to mechanics', materialman's, warehousemen's, carriers' and other similar encumbrances, affecting real property. For the purposes of this definition, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

"MORECO" means Mohawk Valley Rehabilitation Corporation, a New York not-for-profit local development corporation, having an office and place of business at 26 West Main Street, P.O. Box 69, Mohawk, New York 13407, and its successors and assigns.

"MORECO Assignment A" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and GLDC to MORECO securing the MORECO Loan A which shall be recorded with the Clerk, as the same may be amended from time to time.

"MORECO Loan A" means the loan from MORECO to GLDC in the original principal amount of \$200,000 secured by the GLDC Land.

"MORECO Mortgage A" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and GLDC to MORECO securing the MORECO Loan A, which shall be recorded with the Clerk, as the same may be amended from time to time.



"MORECO Pledge A" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to MORECO with acknowledgment by GLDC which secures the MORECO Loan A, which shall be recorded with the Clerk, as the same may be amended from time to time.

"OCIDA Deed" means the Quitclaim Deed dated \_\_\_\_\_, 2010 from the Agency to GLDC, which shall be recorded in the Office of the Clerk of Oneida County.

"OSB Loan" means the loan in the original principal amount of \$1,585,416.00 from the Lender to the Company secured by the Facility.

"OSB Loan B" means the loan in the original principal amount of \$2,776,860.00 from the Lender to GLDC secured by the GLDC Land.

"OSB Loan C" means the loan in the original principal amount of \$780,000.00 from the Lender to GLDC secured by the GLDC Land.

"OSB Assignment" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and the Company to the Lender securing the OSB Loan which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Assignment B" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and GLDC to the Lender securing the OSB Loan B which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Assignment C" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and GLDC to the Lender securing the OSB Loan C which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Mortgage" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and the Company to the Lender securing the OSB Loan, which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Mortgage B" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and GLDC to the Lender securing the OSB Loan B, which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Mortgage C" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and GLDC to the Lender securing the OSB Loan C, which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Pledge" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to the Lender with acknowledgement by the Company securing the OSB Loan, which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Pledge B" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to the Lender with acknowledgement by GLDC securing the OSB Loan B, which shall be recorded with the Clerk, as the same may be amended from time to time.

"OSB Pledge C" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to the Lender with acknowledgement by GLDC securing the OSB Loan C, which shall be recorded with the Clerk, as the same may be amended from time to time.

"Parcel F6A" means that 55.391 ± acre parcel of real property within which the Land is situated and which was conveyed to the Agency by way of the Deed.

"Permitted Encumbrances" means (i) exceptions to title set forth in the Title Report, if any, (ii) the Leaseback Agreement, (iii) utility, access and other easements and rights-of-way, restrictions and exceptions that do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (iv) mechanics', materialmen's, warehousemen's, carriers' and other similar Liens which are approved in writing by the Agency or its counsel, and (v) Liens for taxes not yet delinquent.

"Person" or "Persons" means an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision or branch thereof.

"PILOT Agreement" means the Payment-in-Lieu-of-Tax Agreement dated as of August 1, 2010 between the Company, and the Agency, as the same may be amended from time to time.

"Plans and Specifications" means the plans and specifications for the Improvements, prepared for the Company and approved by the Agency, as revised from time to time in accordance with the Leaseback Agreement.

"Prime Lease" means the lease agreement dated as of December 1, 2002 between the Agency and GLDC relating to Parcel F6A, a memorandum of which was recorded on January 22, 2003, in the Oneida County Clerk's office as Instrument Number R2003-000078.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Public Purposes" shall mean the State's objective to create industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and to empower such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, recreation or industrial facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living.

"Release Agreement" means the Partial Release of Lease Agreement dated as of August 1, 2010 by and between the Agency and GLDC.

"RIDC" means Rome Industrial Development Corporation, a New York not-for-profit corporation, having an office and place of business at 584 Phoenix Drive, Rome, New York 13441, and its successors and assigns.

"RIDC Assignment A" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and GLDC to RIDC securing the RIDC Loan A which shall be recorded with the Clerk, as the same may be amended from time to time.

"RIDC Loan A" means the loan from RIDC to GLDC in the original principal amount of \$75,000 secured by the GLDC Land.

"RIDC Mortgage A" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and GLDC to RIDC securing the RIDC Loan A, which shall be recorded with the Clerk, as the same may be amended from time to time.

"RIDC Pledge A" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to RIDC with acknowledgment by GLDC which secures the RIDC Loan A, which shall be recorded with the Clerk, as the same may be amended from time to time.

"Schedule of Definitions" means the words and terms set forth in this Schedule of Definitions attached to the Leaseback Agreement, as the same may be amended from time to time.

"SEQR Act" means the State Environmental Quality Review Act, Article 8 of the New York State Environmental Conservation Law, and the regulations thereunder.

"State" means the State of New York.

"Sub-CDE" means Enhanced Capital New Market Development Fund V, LLC, a Louisiana limited liability company with offices at 201 St. Charles Avenue, Suite 3700, New Orleans, Louisiana 70170, and its successors or assigns.

"Sub-CDE Assignment" means the Assignment of Leases and Rents dated \_\_\_\_\_, 2010 from the Agency and the Company to the Sub-CDE, which shall be recorded with the Clerk, as the same may be amended from time to time.

"Sub-CDE Loan" means the loan in the original principal amount of \$9,000,000.00 from the Sub-CDE to the Company.

"Sub-CDE Mortgage" means the Mortgage dated \_\_\_\_\_, 2010 from the Agency and the Company to the Sub-CDE, which shall be recorded with the Clerk, as the same may be amended from time to time.

"Sub-CDE Pledge" means the Pledge and Assignment dated \_\_\_\_\_, 2010 from the Agency to the Sub-CDE with acknowledgment by the Company, which shall be recorded with the Clerk, as the same may be amended from time to time.

"Sublease Agreement" means the Sublease Agreement dated July 1, 2010 between the Company and the Sublessee, as the same may be amended from time to time.

"Sublessee" means Assured Information Security or its successors or assigns.

"Sublessee Documents" means the Sublease Agreement and the Sublessee Environmental Compliance and Indemnification Agreement.

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"Sublessee Environmental Compliance and Indemnification Agreement" means the Environmental Compliance and Indemnification Agreement dated as of August 1, 2010 between the Agency and the Sublessee, as the same may be amended from time to time.

"Substitute Facilities" means facilities of substantially the same nature as the proposed Facility.

"Transaction Counsel" means the law firm of Bond, Schoeneck & King, PLLC.

"Transaction Documents" means the Agency Documents, the GLDC Documents, the Company Documents and the Sublessee Documents.

"Unassigned Rights" means the rights of the Agency and moneys payable pursuant to and under Sections 5.3(b) and (c), 6.7, 8.2, 8.8, 10.4 and 11.2(b) of the Leaseback Agreement.

## **EXHIBIT K**

### **(Sublessor's Final Plans and Specifications)**

AIS Interior Office Expansion, 153 Brooks Road, Rome, New York 13441 dated November 28, 2016 prepared by phZ Architects, 5047 Clear Meadow, Camillus, New York 13031 on file at the Office of the Sublessor.

**EXHIBIT L**  
**(Survey Map)**

