

AGREEMENT

THIS AGREEMENT, made this ____ day of March 2009, is entered into by and between the COUNTY OF ONEIDA, NEW YORK (the "County") having its principal place of business at Oneida County Office Building, 800 Park Ave., Utica, New York 13501, ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") having its principal place of business at 153 Brooks Road, Rome, New York 13441, GENESEE & MOHAWK VALLEY RAILROAD CO., INC. ("G&MV"), having its principal place of business at One Mill Street, Suite 101, Batavia, New York 14020 and MOHAWK, ADIRONDACK & NORTHERN RAILROAD CORPORATION ("MA&N"), having its principal place of business at One Mill Street, Suite 101, Batavia, New York 14020.

WHEREAS, G&MV and the Agency entered into a Lease Agreement dated December 29, 1995 ("G&MV Lease Agreement") pursuant to which the Agency acquired from, and leased back to, G&MV G&MV-owned railroad property located in the County of Oneida; and

WHEREAS, MA&N and the Agency entered into a Lease Agreement dated December 29, 1992 ("MA&N Lease Agreement") pursuant to which the Agency acquired from, and leased back to, MA&N MA&N-owned railroad property located in the County of Oneida; and

WHEREAS G&MV and MA&N are wholly owned subsidiaries of GENESEE VALLEY TRANSPORTATION CO., INC.; and

WHEREAS G&MV and MA&N have failed to make all Payment-In-Lieu-Of-Taxes (PILOT) payments and pay all property taxes as required under their Lease Agreements; and

WHEREAS the parties to this Agreement wish to resolve and settle all outstanding claims for unpaid PILOT payments and real property taxes with respect to G&MV and MA&N property in Oneida County, New York:

NOW THEREFORE is it agreed as follows:

1. For and as complete payment and satisfaction by the Railroad of all unpaid PILOT payments and real property taxes, including but not limited to county taxes, city taxes, school taxes, special taxes, and other taxes and assessments through the date of this Agreement based upon: (i) the G&MV and MA&N Lease Agreements (as extended) and/or (ii) G&MV and MA&N railroad property located in Oneida County, New York; G&MV hereby grants to the County the right to approve/disapprove proposed easements over G&MV property within Oneida County, New York, to be granted by the Railroad to any other person and/or entity.
2. In the event G&MV proposes to grant an easement to any party other than a government entity in Oneida County, G&MV shall provide no less than thirty (30) calendar days prior written notice to the COUNTY of such proposed easement, providing details as to the proposed use of such easement, the identity of the grantee of such easement, the duration of the easement and other terms and conditions of the easement. A copy of such notice shall be sent to the Agency.

3. Upon receipt of such notice, the COUNTY shall have thirty (30) calendar days in which to provide G&MV with written notice of the COUNTY's disapproval of the proposed easement. In the absence of such notice from the COUNTY that it disapproves the proposed easement, the COUNTY shall be deemed to have approved the proposed easement. Approval or disapproval of the proposed easement shall be in the sole discretion of the COUNTY, provided that the COUNTY does not unreasonably withhold or unreasonably condition its approval of the proposed easement.

4. In the event that the COUNTY provides G&MV written notification that it disapproves the proposed easement, G&MV shall not grant such easement unless and until the COUNTY thereafter approves such easement.

5. Notices required under this Agreement shall be addressed as follows:

If to the County:

Oneida County Executive
Oneida County Office Building
800 Park Ave.
Utica, New York 13501

With a copy to:

Oneida County Attorney
Oneida County Office Building
800 Park Ave.
Utica, New York 13501

If to G&MV and/or MA&N:

GENESEE & MOHAWK VALLEY RAILROAD CO., INC.
MOHAWK, ADIRONDACK & NORTHERN RAILROAD CORPORATION
One Mill Street
Suite 101
Batavia, New York 14020

With a copy to:

General Counsel
GENESEE & MOHAWK VALLEY RAILROAD CO., INC.
MOHAWK, ADIRONDACK & NORTHERN RAILROAD CORPORATION
One Mill Street
Suite 101
Batavia, New York 14020

6. This Agreement shall expire upon the expiration and/or termination, whichever first occurs, of the G&MV Lease Agreement, as extended from time-to-time.

7. This Agreement constitutes the entire agreement with respect to its subject matter and may not be altered or modified except by an agreement in writing signed by each party.

8. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. Said counterparts shall constitute but one and the same instrument and shall be binding upon each of the undersigned as fully and completely as if all had signed the same instrument.

IN WITNESS THEREOF, the parties have signed this Agreement effective as of March __, 2009.

ONEIDA COUNTY

By: _____
Anthony J. Picente, Jr.
County Executive

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: David C. Grow
David C. Grow
Chairman

GENESEE & MOHAWK VALLEY
RAILROAD CO., INC.

By: John S. Herbrand
John S. Herbrand
Secretary

MOHAWK, ADIRONDACK &
NORTHERN RAILROAD CORP.

By: John S. Herbrand
John S. Herbrand
Secretary

APPROVED:

GENESEE VALLEY TRANSPORTATION CO., INC.

By: John S. Herbrand
John S. Herbrand
Secretary

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

On the ___ day of March 2009, before me, the undersigned, personally appeared ANTHONY J. PICENTE, JR., 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 as County Executive of ONEIDA COUNTY, and that by his signature on the instrument, ONEIDA COUNTY executed the instrument.

Notary Public

STATE OF NEW YORK)
)ss.:
COUNTY OF ~~ONEIDA~~ *Monroe*)

On the 17th day of March 2009 before me, the undersigned, personally appeared JOHN S. HERBRAND, 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 as Secretary of GENESEE & MOHAWK VALLEY RAILROAD CO., INC., and that by his signature on the instrument, GENESEE & MOHAWK VALLEY RAILROAD CO., INC. executed the instrument.

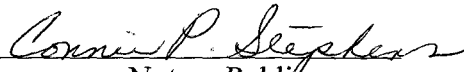


Notary Public

RACHAEL E. ENES
Notary Public in the State of New York
MONROE COUNTY
Reg. No. 01EN6113683
Commission Expires August 2, 2012

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

On the 16th day of March 2009, before me, the undersigned, 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 as Chairman of ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY, and that by his signature on the instrument, ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY executed the instrument.




Notary Public

CONNIE P. STEPHENS
Notary Public, State of New York
No. 4964591
Qualified in Oneida County
Commission Expires April 2, 192010

STATE OF NEW YORK)

Monroe)ss.:
COUNTY OF ONEIDA)

On the 17th day of March 2009 before me, the undersigned, personally appeared JOHN S. HERBRAND, 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 as Secretary of MOHAWK, ADIRONDACK & NORTHERN RAILROAD CORP., and that by his signature on the instrument, MOHAWK, ADIRONDACK & NORTHERN RAILROAD CORP. executed the instrument.




Notary Public
RACHAEL E. ENES
Notary Public in the State of New York
MONROE COUNTY
Reg. No. 01EN6113683
Commission Expires August 2, 2012

STATE OF NEW YORK)

Monroe)ss.:
COUNTY OF ONEIDA)

On the 17th day of March 2009 before me, the undersigned, personally appeared JOHN S. HERBRAND, 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 as Secretary of GENESEE VALLEY TRANSPORTATION CO., INC., and that by his signature on the instrument, GENESEE VALLEY TRANSPORTATION CO., INC. executed the instrument.



Notary Public
RACHAEL E. ENES
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