

**Inducement Resolution
American Alloy Steel, Inc.
2014 Facility Expansion**

RESOLUTION OF THE ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING CHICKADEE PROPERTIES, L.P., AMERICAN ALLOY STEEL, INC., THE PRINCIPALS OF CHICKADEE PROPERTIES, L.P., AMERICAN ALLOY STEEL, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, American Alloy Steel, Inc., on behalf of itself and/or the principals of American Alloy Steel, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Sublessee") has applied to the Oneida County Industrial Development Agency (the "Agency") to enter into a transaction in which the Agency will assist in the (a) construction of a 28,160± square foot addition (the "2014 Addition") to the Sublessee's existing 70,880± square foot facility (the "Existing Improvements") (the 2014 Addition and the Existing Improvements, collectively, the "Improvements") located on certain land situated at 650 Harbor Way, City of Rome, Oneida County, New York (the "Land") (the Land and Existing Improvements, collectively, the "Existing Facility") and (b) the acquisition and installation of equipment in the 2014 Addition (the "2014 Equipment"), all to be used for the purpose of wholesale distribution of steel plates and related activities (the 2014 Addition and the 2014 Equipment referred to collectively as the "2014 Facility," and the Existing Facility and the 2014 Facility referred to collectively as the "Facility"); and

WHEREAS, the Company leases the Existing Facility to the Agency pursuant to a Lease Agreement between the Company and the Agency dated as of July 1, 2009, as amended (the "Lease Agreement"), and the Agency leases the Existing Facility back to the Company pursuant to a Leaseback Agreement between the Agency and the Company dated as of July 1, 2009, as amended (the "Leaseback Agreement"), pursuant to Article 18-A of the General Municipal Law of the State of New York and Chapter 372 of the Laws of 1970 of the State of New York, as may be amended from time to time (collectively, the "Act"); and

WHEREAS, the Company further subleases the Existing Facility to the Sublessee pursuant to an Industrial Triple Net Lease dated June 2, 2009, as amended (the "Sublease Agreement"); and

WHEREAS, the Company and the Agency will amend the Leaseback Agreement to add and include the 2014 Facility and extend the Lease Term (as defined in the Leaseback Agreement) to be coterminous with the financial assistance for the 2014 Facility; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from real property taxes on the increased assessment resulting from the construction of the 2014 Addition for a period of ten (10) years, and exemptions from sales and use taxes on materials and/or equipment used or incorporated in the 2014 Addition, which benefits are consistent with the Agency's Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, prior to the closing of a lease-leaseback transaction, and the granting of any tax benefits, a public hearing (the "Hearing") will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency, or the location or nature of the 2014 Facility, can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of a lease-leaseback transaction, and the granting of any financial assistance, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed lease-leaseback transaction is either an inducement to the Company and the Sublessee to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Sublessee in its industry.

NOW, THEREFORE, BE IT RESOLVED by the Oneida County Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

- Section 1. (a) The construction and equipping of the 2014 Facility and the Agency's financial assistance therefor, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved;

- (b) It is desirable and in the public interest for the Agency to enter into a lease-leaseback transaction, for the purpose of providing financial assistance for the construction and equipping of the 2014 Facility, as reflected in the Company's and the Sublessee's application to the Agency and as amended from time to time prior to the closing of lease-leaseback transaction.

Section 2. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and among the Agency, the Company and the Sublessee setting forth the undertakings of the Agency, the Company and the Sublessee with respect to the amendment of the lease-leaseback transaction, and the development of the 2014 Facility (the "Agreement") are hereby approved. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such changes in terms and form as the Chairman shall approve. The execution thereof by the Chairman shall constitute conclusive evidence of such approval.

Section 3. Subject to the conditions set forth in Section 4.02 of the Agreement, the Agency shall assist the Company and/or the Sublessee in the construction and equipping of the 2014 Facility and will provide financial assistance with respect thereto.

Section 4. The Company and the Sublessee are herewith and hereby appointed the agent of Agency to construct and equip the 2014 Facility. The Company and the Sublessee are hereby empowered to delegate their status as agent of the Agency to agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessee may choose in order to construct and equip the 2014 Facility. The terms and conditions for the appointment of the Company and the Sublessee as agent of the Agency for the purposes described in this resolution are set forth in the form of the attached letter addressed to the Company and the Sublessee, marked as **Exhibit C** to this resolution. The form of such letter is incorporated herein by reference and is approved and adopted by the Agency, and the Chairman or Executive Director of the Agency or any other duly authorized official of the Agency are authorized to execute and deliver such letter to the company. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee as agents of the Agency solely for purposes of making sales or leases of goods, services, and supplies to the 2014 Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company and the Sublessee, as agents of the Agency shall be deemed to be on behalf of the Agency and for the benefit of the 2014 Facility. The Company and

the Sublessee shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company and the Sublessee, as agents of the Agency.

Section 5. The law firm of Bond, Schoeneck & King, PLLC is appointed Transaction Counsel in connection with the lease-leaseback transaction.

Section 6. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to the Company and the Sublessee and others to prepare, for submission to the Agency, all documents necessary to effect the lease-leaseback transaction.

Section 7. The Chairman of the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. This resolution shall take effect immediately.

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

I, the undersigned Secretary of the Oneida County Industrial Development Agency DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Oneida County Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on June 20, 2014 at eight a.m., local time, at Rome, New York which the following members were:

Members Present: Ferris Betrus
Natalie Brown
Michael Fitzgerald
David Grow
Mary Faith Messenger
Eugene Quadraro
Steven Zogby

Staff Present: Maureen Carney
Shawna Papale
Jennifer Waters

Others Present: Dan Guzewich
Caroline Levitt, Esq.
Mark Levitt, Esq.
Timothy Lynn, Esq.
Laura Ruberto

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Voting Aye

Ferris Betrus
Natalie Brown
Michael Fitzgerald
David Grow
Eugene Quadraro
Steven Zogby

Voting Nay


None

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of June 2014.



Shawna Papale, Secretary

EXHIBIT A
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Oneida County Industrial Development Agency (the "Agency") on the ___ day of _____ 2014 at ___ a.m., local time, at 584 Phoenix Drive, Rome, New York 13441, in connection with the following matters:

American Alloy Steel, Inc. (the "Sublessee") and Chickadee Properties, L.P. (the "Company") has applied to the Agency to enter into a transaction in which the Agency will assist in the (a) construction of a 28,160± square foot addition (the "2014 Addition") to an existing 70,880± square foot facility (the "Existing Improvements") (the 2014 Addition and the Existing Improvements, collectively, the "Improvements") located on certain land situated at 650 Harbor Way, City of Rome, Oneida County, New York (the "Land") and (b) the acquisition and installation of equipment in the 2014 Addition (the "2014 Equipment"), all to be used for the purpose of wholesale distribution of steel plates and related activities (the 2014 Addition and the 2014 Equipment referred to collectively as the "2014 Facility," and the Land, the Existing Improvements and the 2014 Facility referred to collectively as the "Facility"). The Facility will be initially operated and/or managed by the Company.

The Agency owns a leasehold interest in the Land and Existing Improvements and leases them back to the Company pursuant to a Leaseback Agreement dated as of July 1, 2009, as amended (the "Leaseback Agreement"). The Company further subleases the Land and Existing Improvements to the Sublessee for its operation pursuant to an Industrial Triple Net Lease dated June 2, 2009, as amended (the "Sublease Agreement"). The parties will amend the Leaseback Agreement and the Sublease Agreement to add and include the 2014 Facility and extend the respective lease terms. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from real property taxes on the increased assessment resulting from the 2014 Facility for a period of ten (10) years, and exemptions from sales and use taxes on materials and/or equipment used or incorporated in the 2014 Facility, which benefits are consistent with the Agency's Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company and the Sublessee or the location or nature of the Facility. A copy of the Application for Financial Assistance filed by the Company and the Sublessee with the Agency, including an analysis of the costs and benefits of the proposed Project, is available for public inspection at the offices of the Agency, 584 Phoenix Drive, Rome, New York.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Dated: _____, 2014

By: /s/ Shawna M. Papale, Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING

Oneida County Industrial Development Agency
2014 Real Estate Lease
American Alloy Steel, Inc. 2014 Facility Expansion

1. Jennifer Waters, Assistant Secretary of the Oneida County Industrial Development Agency (the "Agency"), called the hearing to order and recorded the minutes of the hearing.
2. The Assistant Secretary then described the proposed project and related financial assistance as follows:

Chickadee Properties, L.P. (the "Company") and American Alloy Steel, Inc. (the "Sublessee") have applied to the Agency to enter into a transaction in which the Agency will assist in the (a) construction of a 28,160± square foot addition (the "2014 Addition") to an existing 70,880± square foot facility (the "Existing Improvements") (the 2014 Addition and the Existing Improvements, collectively, the "Improvements") located on certain land situated at 650 Harbor Way, City of Rome, Oneida County, New York (the "Land") and (b) the acquisition and installation of equipment in the 2014 Addition (the "2014 Equipment"), all to be used for the purpose of wholesale distribution of steel plates and related activities (the 2014 Addition and the 2014 Equipment referred to collectively as the "2014 Facility," and the Land, the Existing Improvements and the 2014 Facility referred to collectively as the "Facility"). The Facility will be initially operated and/or managed by the Company.

The Agency owns a leasehold interest in the Land and Existing Improvements and leases them back to the Company pursuant to a Leaseback Agreement dated as of July 1, 2009, as amended (the "Leaseback Agreement"). The Company further subleases the Land and Existing Improvements to the Sublessee for its operation pursuant to an Industrial Triple Net Lease dated June 2, 2009, as amended (the "Sublease Agreement"). The parties will amend the Leaseback Agreement and the Sublease Agreement to add and include the 2014 Facility and extend the respective lease terms. At the end of the lease term, the Agency will terminate its leasehold interest in the Facility. The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from real property taxes on the increased assessment resulting from the 2014 Facility for a period of ten (10) years, and exemptions from sales and use taxes on materials and/or equipment used or incorporated in the 2014 Facility, which benefits are consistent with the Agency's Uniform Tax Exemption Policy, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein.

3. The Assistant Secretary then opened up the hearing for comments from the floor for or against the proposed financial assistance and the location and nature of the Facility. Attached is a listing of the persons heard and a summary of their views.
4. The Assistant Secretary then asked if there were any further comments, and, there being none, the hearing was closed at ____ a.m.

Jennifer Waters, Assistant Secretary

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

I, the undersigned Secretary of the Oneida County Industrial Development Agency,
DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by
the Oneida County Industrial Development Agency (the "Issuer") on _____, 2014 at
_____ a.m. local time, at 584 Phoenix Drive, Rome New York 13441 with the original
thereof on file in the office of the Issuer, and that the same is a true and correct copy of the
minutes in connection with such matter.

I FURTHER CERTIFY that (i) pursuant to Title 1 of Article 18-A of the New York
General Municipal Law, said hearing was open to the general public, and public notice of
the time and place of said hearing was duly given in accordance with such Title 1 of Article
18-A, (ii) the hearing in all respects was duly held, and (iii) members of the public had an
opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2014.

Shawna M. Papale, Secretary

EXHIBIT C

(To be copied onto IDA letterhead and delivered
to the Company, when appropriate.)

_____, 2014

Arthur J. Moore, President
American Alloy Steel, Inc.
6230 North Houston Rosslyn Road
Houston, Texas 77091

Arthur J. Moore
Chickadee Properties, L.P.
6230 North Houston Rosslyn Road
Houston, Texas 77091

RE: *Oneida County Industrial Development Agency
2014 Facility Expansion (American Alloy Steel, Inc. Facility)*

Dear Mr. Moore:

Pursuant to a resolution duly adopted on June 20, 2014, Oneida County Industrial Development Agency (the "Agency") appointed Chickadee Properties, L.P. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") and American Alloy Steel, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Sublessee") its agent in connection with a transaction in which the Agency will assist in the (a) construction of a 28,160± square foot addition (the "2014 Addition") to the Company's existing 70,880± square foot facility (the "Existing Improvements") (the 2014 Addition and the Existing Improvements, collectively, the "Improvements") located on certain land situated at 650 Harbor Way, City of Rome, Oneida County, New York (the "Land") and (b) the acquisition and installation of equipment in the 2014 Addition (the "2014 Equipment"), all to be used for the purpose of wholesale distribution of steel plates and related activities (the 2014 Addition and the 2014 Equipment referred to collectively as the "2014 Facility," and the Land, the Existing Improvements and the 2014 Facility referred to collectively as the "Facility"). The Facility will be initially operated and/or managed by the Company.

This appointment includes authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the 2014 Facility, and the following activities as they relate to any construction, equipping and completion of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with construction and equipping (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with construction and equipping and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property

(including installation costs), installed or placed in, upon or under such building, including all repairs and replacements of such property.

The agency appointment includes the power to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and/or the Sublessee and to such other parties as the Company and/or the Sublessee chooses so long as they are engaged, directly or indirectly, in the activities hereinbefore described.

In exercising this agency appointment, you and each of your properly appointed agents and subagents must claim the sales tax exemption for all purchases by giving your vendors New York State Form ST-123. The supplier or vendor should identify the Facility on each bill or invoice as the "**American Alloy Steel 2014 Facility**" and indicate thereon that the Company, the Sublessee, its agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase.

You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the Facility must also execute a copy of the Contract in Lieu of Exemption Certificate attached hereto, and must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each Contract in Lieu of Exemption Certificate and completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors. Any agent, subagent, contractor or subcontractors of the Company which delivers completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of constructing and equipping the 2014 Addition, and shall only then be authorized to use Form ST-123 as described above. Failure to comply with these requirements may result in loss of sales tax exemptions for the 2014 Facility.

It is important to note that contractors and subcontractors who have not been appointed subagent cannot use the sales tax exemption for equipment rental, tools, supplies and other items that do not become part of the finished project. Contractors and subcontractors must be appointed as agent or sub-agent of the Agency to use the Agency sales tax exemption for these purchases. Contractors and subcontractors who have not been appointed a subagent must claim the sales tax exemption for construction materials by giving their vendors a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1) checking box (a).

The aforesaid appointment of the Company and the Sublessee as agent of the Agency to construct and equip the 2014 Facility shall expire at the earlier of (a) the completion of such activities and improvements, or (b) June 20, 2015, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company and/or the Sublessee if such activities and improvements are not completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

You should be aware that the New York State General Municipal Law requires you to file an Annual Statement (Form ST-340) with the New York State Department of Taxation and

Mr. Arthur J. Moore
_____, 2014

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Finance regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority we have conferred on you with respect to the 2014 Facility. The penalty for failure to file such statement is the removal of your authority to act as an agent.

If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files.

Very truly yours,

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name Shawna M. Papale
Title: Executive Director

ACCEPTED & AGREED:

CHICKADEE PROPERTIES, L.P.,
a Texas limited partnership

By: Chickadee Properties GP, Inc.,
its General Partner

By: _____
Arthur J. Moore, President

ACCEPTED & AGREED:

AMERICAN ALLOY STEEL, INC.

By: _____
Arthur J. Moore, President

TO: All Contractors, Subcontractors,
Suppliers and Vendors, etc. of
Chickadee Properties, L.P. and American Alloy Steel, Inc.

Attached please find a "Contract in Lieu of Exemption Certificate" (the "Contract") which will serve as documentation for not charging Chickadee Properties, L.P., on behalf of itself and/or the principals of Chickadee Properties, L.P., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") or American Alloy Steel, Inc., on behalf of itself and/or the principals of American Alloy Steel, Inc., and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Sublessee") sales or use tax in connection with any purchase, lease, rental or other use of materials, equipment, goods, services or supplies at the facility to be leased by the Oneida County Industrial Development Agency (the "Agency") and described in Addendum A to the aforesaid Contract (the "2014 Facility").

Also attached is a letter signed by the Agency appointing the Company and the Sublessee as its agents for the purpose of constructing and equipping the 2014 Facility. This letter authorizes the Company and the Sublessee to delegate its authority as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and/or the Sublessee authorizes.

In accordance with the authority granted to the Company and the Sublessee by the Agency, you are hereby appointed as agent of the Agency for the purpose of making purchases or leases of materials, equipment, goods, services and supplies with respect to the 2014 Facility. **Enclosed is a completed Form ST-123 that evidences your appointment, and which should be presented at the time of making each exempt purchase.**

Your appointment as agent of the Agency is contingent upon your completing the attached Form ST-60 and returning it to us and the Form ST-60 then being filed by the Agency with the New York State Department of Taxation and Finance.

Very truly yours,

[COMPANY NAME]

By: _____
Name:
Title:

cc: Oneida County Industrial Development Agency

CONTRACT IN LIEU OF EXEMPTION CERTIFICATE

This Contract is entered into by and between **AMERICAN ALLOY STEEL, INC.** (the "Company"), as agent for and on behalf of the Oneida County Industrial Development Agency, a public benefit corporation and a governmental agency of the State of New York (the "Agency") in connection with construction and equipping of the facility described in Addendum A hereto (the "2014 Facility") and the contractor or the subcontractor more particularly described on page 2 hereof (the "Contractor").

Pursuant to the authority granted to the Company, as agent of the Agency, the Contractor is hereby appointed agent of said Agency for purposes of completing, executing or otherwise carrying out the obligations imposed under this Contract.

The Contractor acknowledges that the Agency has acquired or will acquire title to or a leasehold interest in the 2014 Facility and the Agency is a public benefit corporation and governmental entity of the State of New York. By reason of such status, Agency and its agents acting on its behalf are exempt from payment of all New York State and local sales and use taxes on the purchase or lease of all materials, equipment, goods, services and supplies incorporated into and made an integral component part of any structure, building or real property which becomes the property of Agency, and all equipment, machinery and other tangible personal property (including installation costs with respect thereto) which becomes the property of Agency or in which the Agency has a leasehold interest. In addition, Agency and its agents acting on its behalf are exempt from all sales and use taxes arising out of or connected with the following, as they relate to performance under this Contract: (i) purchases, leases, rentals and other uses of tools, machinery and equipment, and (ii) purchases, leases, rentals, uses or consumption of supplies, goods, materials and services of every kind and description; provided, however, that exemption from sales and use tax with respect to clauses (i) and (ii) above shall apply only if the Contractor is then acting as agent for Agency under the terms of this Contract.

Pursuant to these exemptions from sales and use taxes, the Contractor shall not include such taxes in its contract price, bid, or reimbursable costs, as the case may be. If the Contractor does not comply with the requirements for sales and use tax exemptions, as described above, then it shall be responsible for and pay any and all applicable New York State sales and use taxes, and no portion thereof shall be charged or billed to the Agency or the Company directly or indirectly, the intent of this Contract being that neither Agency nor the Company shall be liable for any of the sales or use taxes described above. This Contract may be accepted by the Contractor in lieu of an exemption certificate, and the Contractor shall retain a copy hereof to substantiate the sales and use tax exemption.

The aforesaid appointment of the Company as agent of the Agency to construct and equip the 2014 Facility shall expire at the earlier of (a) the completion of such activities and improvements, or (b) June 20, 2015, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

The Agency shall have the right to assign this Contract to the Company by written notice to the Contractor and without written consent of the Contractor, in which case Agency shall be relieved of all obligations hereunder. In the event of such assignment, all applicable sales

and use taxes shall be added to the purchase price and paid to the Contractor pursuant to a change order. All of the above provisions with respect to exemptions for New York State sales and use taxes shall apply to all subcontractors and other parties in privity of contract with the Company, Agency or the Contractor pursuant to the terms of this Contract.

OWNER:

Insert name of Contractor or
Subcontractor

AMERICAN ALLOY STEEL, INC.
as agent for and on behalf of the Oneida
County Industrial Development Agency

By _____
Name: _____
Title: _____

By _____
Name: _____
Title: _____

DATE: _____

DATE: _____

Address of Contractor or
Subcontractor

cc: Oneida County Industrial Development Agency

ADDENDUM A

DESCRIPTION OF THE 2014 FACILITY

The "2014 Facility" consists of the (a) construction of a 28,160± square foot addition (the "2014 Addition") to the Company's existing 70,880± square foot facility located on certain land situated at 650 Harbor Way, City of Rome, Oneida County, New York and (b) the acquisition and installation of equipment in the 2014 Addition (the "2014 Equipment"), all to be used for the purpose of wholesale distribution of steel plates and related activities.