

AGREEMENT TO EXTEND
INDUCEMENT AGREEMENT AND PROJECT AGREEMENT

THIS AGREEMENT TO EXTEND INDUCEMENT AGREEMENT AND PROJECT AGREEMENT RELATING TO THE **ONEIDA COUNTY RURAL TELEPHONE COMPANY/NORTHLAND COMMUNICATIONS FACILITY** (the "AGREEMENT") is between the **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, with offices at 584 Phoenix Drive, Rome, New York 13441 (the "Agency"), and **ONEIDA COUNTY RURAL TELEPHONE COMPANY D/B/A NORTHLAND COMMUNICATIONS**, a corporation duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 9560 Main Street, Holland Patent, New York 13354 (the "Company").

WHEREAS, the Company has requested the Agency assist in (i) the renovation of 8,800± square feet of office space and 6,700± square feet of garage space, construction of a 500± square foot gallery to connect the two buildings (collectively, the "Existing Improvements") at an existing facility situated on a 3± acre parcel of land located at 9560 Main Street, Town of Trenton, Village of Holland Patent, Oneida County, New York (the "Existing Land"), (ii) the acquisition of a 1.0± acre parcel of land located adjacent to the Existing Land at 9562 Main Street (together with the Existing Land, the "Land") and the construction thereon of an 11,000± square foot garage (together with the Existing Improvements, the "Improvements"), (iii) construction and installation of all infrastructure to service the Improvements and (iv) the acquisition and installation of equipment in the Improvements and the Addition (the "Equipment"), all to be used for providing residential and commercial telecommunication and internet services (the Land, the Improvements and the Equipment are referred to collectively as the "Facility" and the construction, renovation and equipping of the Facility is referred to as the "Project"); and

WHEREAS, the Company and the Agency entered into an Inducement Agreement and Project Agreement dated as of July 15, 2016 (the "Inducement Agreement") with respect to certain financial assistance (as described therein) the Agency contemplates it will grant to the Project; and

WHEREAS, the Inducement Agreement contains a provision that, if for any reason the sale-leaseback or lease-leaseback transaction does not close on or before twelve (12) months from the execution thereof, the Inducement Agreement shall terminate and be of no further force or effect; and

WHEREAS, the Company and the Agency agreed in writing to extend the Inducement Agreement for a period of twelve (12) months, such that the Inducement Agreement is valid through July 15, 2018; and

WHEREAS, the lease-leaseback transaction has not closed, and the parties wish to further extend the Inducement Agreement by this writing.

NOW THEREFORE, in consideration of the mutual agreements contained in the Inducement Agreement, and for other good and valuable consideration, the parties agree as follows:

1. The Agency and the Company agree to extend the Inducement Agreement for an additional twelve (12) months.

2. If for any reason the lease-leaseback transaction does not close on or before July 15, 2019, the Company shall submit a written request to the Agency describing the reasons for the delay and requesting the Inducement Agreement be extended for a period of twelve (12) months under the same terms and conditions contained therein. If the Company has made exempt purchases during the term of the Inducement Agreement, the Company shall pay to the Agency the first year's annual rent payment of \$500.00 at the time the Inducement Agreement is extended.

3. If for any reason the Inducement Agreement is not further extended by written agreement of the parties, the provisions of the Inducement Agreement (other than the provisions of Articles 3.05, 3.06, 3.07 and 3.08 above, which shall survive) shall, unless further extended by agreement of the Agency and the Company (whether before or after such original expiration date), terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses which were authorized by the Company and incurred by the Agency in connection with the acquisition, renovation and equipping of the Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project; and

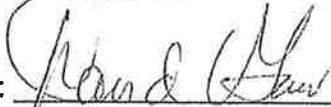
(c) The Company will pay the out-of-pocket expenses of members of the Agency, counsel for the Agency and Transaction Counsel incurred in connection with the Project and will pay the reasonable fees of counsel for the Agency and Transaction Counsel for legal services relating to the Project or the proposed financing thereof.

4. Except for the extension of time to close the lease-leaseback transaction, all other provisions of the Inducement Agreement remain in full force and effect.


[signature page follows]

IN WITNESS WHEREOF, the parties hereto have entered into this AGREEMENT to be effective as of July 15, 2018.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
David C. Grow
Chairman

ONEIDA COUNTY RURAL TELEPHONE
COMPANY

By: 
Name: Heather Kirkland
Title: Treasurer