

## AGENT AGREEMENT

*THIS AGENT AGREEMENT* ("Agreement"), made as of the 1<sup>st</sup> day of July, 2012 by and among the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having its principal offices at One Cablevision Center, Ferndale, New York 12734 ("Agency"), Loughlin & Billig, P.C., a New York professional corporation, having a mailing address of PO Box 1447, Monticello, New York 12701 ("Loughlin") and 461 Broadway LLC, a New York limited liability company, having its principal offices located at 461 Broadway, PO Box 948, Monticello, New York 12701 ("461" and together with Loughlin, collectively, the "Company").

### WITNESSETH:

*WHEREAS*, the Agency was created by Chapter 560 of the Laws of 1970 of the State of New York ("State") pursuant to Title I of Article 18-A of the (General Municipal Law of the State of New York (collectively referred to as the "Enabling Act") as a body corporate and politic and as a public benefit corporation of the State; and

*WHEREAS*, the Enabling Act 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, construct, reconstruct, renovate, rehabilitate, 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 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; and

*WHEREAS*, the Enabling Act further authorizes each such agency to lease any or all of its facilities at such rentals and on such other terms and conditions as it deems advisable; and

*WHEREAS*, pursuant to and in connection with the provisions of the Enabling Act, the Agency is empowered under the Act to undertake the providing of financing and taking of title or leasehold interest in the Facility (as described below); and

*WHEREAS*, the Company has presented an application to the Agency, requesting that the Agency consider undertaking a project consisting of the (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of a building to consist of approximately 5,400± square feet ("Building") situate on one (1) parcel of real estate consisting of <1.00± acre to be located at 461 Broadway in the Village of Monticello, Town of Thompson ("Town"), County of Sullivan ("County"), State of New York ("State") and identified on the tax map as Town Section 115, Block 6, Lot 1 ("Land") and related facilities to be owned by the Agency; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment

are referred to as the "Facility" or the "Project"); and (iv) lease of the Facility from the Agency to the Company; and

*WHEREAS*, by resolution, dated July 18, 2012 ("Resolution"), the Agency authorized the Company to act as its agent for the purposes of acquiring, constructing, reconstructing, renovating, rehabilitating, installing and equipping the Facility subject to the Company entering into this Agent Agreement.

*NOW THEREFORE*, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Scope of Agency. The Company hereby agrees to limit its activities as agent for the Agency under the authority of the Resolution to acts reasonably related to the acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Facility. The right of the Company to act as agent of the Agency shall expire on December 31, 2012 if the Lease Agreement and Payment in Lieu of Tax Agreement have not been executed and delivered.
2. Sales Tax Abatement Fee. Contemporaneously with execution of this Agreement and the Environmental Compliance and Indemnification Agreement, the Agency has delivered to the Company a Sales Tax Abatement Letter, a copy of which is annexed hereto as Exhibit 2. The Company shall pay the Agency a sales tax abatement fee in an amount equal to one (1%) percent of taxable purchases related to the Project. Upon termination of the Sales Tax Abatement Letter, the Company shall immediately commence paying sales tax on all purchases made on or after the date of termination and shall provide written notice to the Company's current vendors advising of the termination of the Agency's Sales Tax Abatement Letter. Evidence of the notice of termination to its vendors shall be supplied by the Company to the Agency within ten (10) days of termination.
3. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Agency to proceed with the Project:
  - (a) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing, 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 instrument or agreement.
  - (b) The Facility and the operation thereof will conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Facility, and the Company shall defend,

indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection (b).

- (c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, to which the Company is a party, and in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.
- (d) The Company covenants (i) that the Facility will comply in all respects with all environmental laws and regulations, (ii) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist on the Facility, except in compliance with all applicable laws, (iii) the Company will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances onto the Facility or onto any other property, (iv) that no asbestos will be incorporated into or disposed of on the Facility, (v) that no underground storage tanks will be located on the Facility, except in full compliance at all times with all applicable laws, rules, and regulations, and (vi) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Company upon receiving any information or notice contrary to the representations contained in this Section 3(d) shall immediately notify the Agency in writing with full details regarding the same. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its directors, officers, employees, members, agents (except the Company), representatives, their respective successors and assigns and personal representatives from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorneys' fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section 3(d). In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Facility, the Company agrees to pay the expenses of same to the Agency upon demand.

4. Hold Harmless Provision. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its directors, officers, employees, members, agents (except the Company), representatives, their respective successors and assigns and personal representatives 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 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 on, in or about the Facility or breach by the Company of this Agreement or (ii) liability arising from or expense incurred by the Agency's

acquiring, constructing, reconstructing, renovating, rehabilitating, installing and equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all causes of action and reasonable attorneys' fees and any other expense, incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or its respective directors, officers, employees, members, agents (except the Company), and representatives, their respective successors and assigns and personal representatives and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.

5. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination, the Company shall 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 paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:

- (a) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company.
- (b) Worker's compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.
- (c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than \$1,000,000 per accident or occurrence on account of personal injury, including death resulting therefrom, and \$1,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable Worker's Compensation Law; and a blanket excess liability policy in the amount not less than \$2,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.

6. Additional Provisions Respecting Insurance.

- (a) All insurance required by Section 5(a) hereof shall name the Agency as a named insured and all other insurance required by Section 6 shall name the Agency as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the

Company (and reasonably satisfactory to the Agency) and authorized to write such insurance in the State. Such insurance may be written with deductible amounts not exceeding \$2,500.00. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interest may appear, and (ii) at least thirty (30) days written notice of the cancellation thereof to the Company and the Agency.

(b) All such certificates of insurance of the insurers that such insurance is in force and effect, shall be deposited with the Agency on or before the commencement of the term of this Agreement. Prior to expiration of the policy evidenced by said certificates, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement.

7. Counterpart Signatures. This Agreement may be executed in any number of counterparts each of which shall be deemed an original, but which together shall constitute a single instrument.

8. Notices. All notices provided for by this Agreement shall be made in writing, and shall be deemed to have been given on the date of delivery if personally served on the party to whom notice is to be given, or on the next day after mailing if mailed to the party to whom notice is to be given by overnight courier of national reputation providing evidence of receipt and properly addressed, or on the third day after mailing if mailed to the party to whom notice shall be given by First Class, Certified mail, postage prepaid and properly addressed to the following:

To the Agency:

County of Sullivan Industrial Development Agency  
One Cablevision Center  
Ferndale, New York 12734  
Attn: Chief Executive Officer

with a copy to:

GARIGLIANO LAW OFFICES, LLP  
449 Broadway  
P.O. Drawer 1069  
Monticello, New York 12701  
Attn: Agency Counsel

To the Company:

Loughlin & Billig, P.C.  
PO Box 1447  
Monticello, New York 12701  
and  
461 Broadway LLC  
461 Broadway  
PO Box 948  
Monticello, New York 12701

with a copy to:

Billig, Loughlin & Baer, PLLC  
PO Box 1447  
543 Broadway  
Monticello, New York 12701

or at such other addresses and/or addressees as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section.

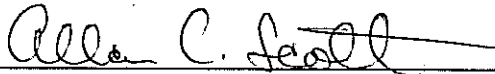
9. Governing Law. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein. The parties hereto designate a court of proper jurisdiction located in Sullivan County, New York as the sole venue for resolution of any disputes, which may arise under or by reason of this Agreement.

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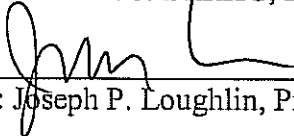
*IN WITNESS WHEREOF*, the parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF SULLIVAN INDUSTRIAL  
DEVELOPMENT AGENCY



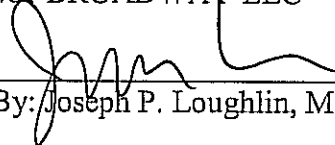
By: Allan C. Scott, Chief Executive Officer

LOUGHLIN & BILLIG, P.C.



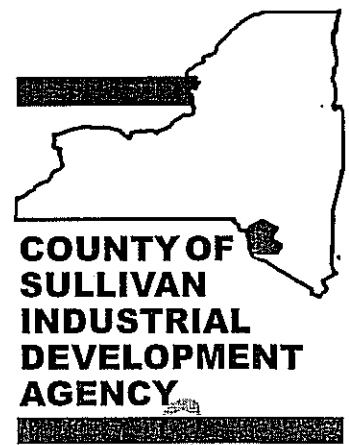
By: Joseph P. Loughlin, President

461 BROADWAY LLC



By: Joseph P. Loughlin, Member

One Cablevision Center  
Ferndale, New York 12734  
(845) 295-2603  
(845) 295-2604 FAX



July 18, 2012

To Whom It May Concern:

Re: New York State Sales and Use Tax Exemption  
County of Sullivan Industrial Development Agency w/ Loughlin & Billig, P.C.  
("Loughlin") and 461 Broadway LLC ("461" and together with Loughlin,  
collectively, the "Company")

Pursuant to TSB-M-87(7) issued by the New York State Department of Taxation and Finance on April 1, 1987, you have requested a letter from the County of Sullivan Industrial Development Agency ("Agency") containing the information required by said policy statement regarding the sales tax exemption with respect to the purchase, lease or rental of building materials, furniture, fixtures, equipment and supplies to be used in connection with the acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the following described project by the Company:

(i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of a building to consist of approximately 5,400± square feet ("Building") situate on one (1) parcel of real estate consisting of <1.00± acre to be located at 461 Broadway in the Village of Monticello, Town of Thompson ("Town"), County of Sullivan ("County"), State of New York ("State") and identified on the Town tax map as Section 115, Block 6, Lot 1 ("Land") and related facilities to be owned by the Agency; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the "Facility" or the "Project"); and (iv) lease of the Facility from the Agency to the Company; and

On July 18, 2012, the Agency, a corporate governmental Agency constituting a body corporate and politic and a public benefit corporation and a governmental agency of the State of New York adopted a resolution whereby the Agency appointed the Company as its agent to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the Project.

This is to certify that purchases, leases or rentals by the Agency, through its agent, the Company, of materials to be incorporated into the Facility and purchases, leases or rentals of supplies, tools, equipment, or services necessary to acquire, construct, reconstruct, renovate,

\* This Sales Tax Exemption Letter shall not be used to abate sales tax on purchases of motor vehicles.

EXHIBIT

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rehabilitate, install and equip such Facility are exempt from any sales or use tax imposed by the State of New York and any governmental instrumentality located within the State of New York.

It is further certified that since the Agency is a public benefit corporation, neither it, nor the Company as its agent, is required to furnish an "Exempt Organization Certificate" in order to secure exemption from sales or use tax for such items.

A copy of this letter retained by any vendor or seller to the Company as agent for the Agency, may be accepted by such vendor or seller as a "statement and additional documentary evidence of such exemption" as provided by New York Tax Law 1132(c)(2), thereby relieving such vendor or seller from the obligation to collect sales or use tax upon purchases or rentals of such materials, supplies, tools, equipment, or services by the Agency through its agent, the Company.

THIS LETTER SHALL BE IN EFFECT TO AND INCLUDING JULY 17, 2013.

In the event you have any questions with respect to the above, please do not hesitate to contact me.

County of Sullivan Industrial  
Development Agency



By: Allan C. Scott, Chief Executive Officer

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\* This Sales Tax Exemption Letter shall not be used to abate sales tax on purchases of motor vehicles.