

## AGENT AGREEMENT

*THIS AGENT AGREEMENT* ("Agreement"), made as of the 1<sup>st</sup> day of February, 2006 by and between 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") and THE BETHEL PERFORMING ARTS CENTER, LLC, a New York limited liability company, having its principal offices at One Cablevision Center, Liberty, New York 12754 ("Company").

### WITNESSETH:

*WHEREAS*, the Agency was created by Chapter 560 of the Laws of 1970 of the State of New York 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 of New York ("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, 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 the taking of a leasehold interest in the Facility (as described below); and

*WHEREAS*, the Company desires to (i) construct, install and equip a performing arts center to consist of the following: (a) an outdoor pavilion of approximately 4,800 seats under cover with additional lawn seating capacity for 12,000 or more people; (b) a museum and interpretive center including a museum of music, culture and history, the exhibits and specifics of which are being planned, together with a ticket sales office, a retail shop, a food area and an events lobby; (c) an outdoor amphitheater; (d) concession buildings; (e) restrooms; (f) walking paths; (g) utilities and roadways; (h) water, sewer and storm water systems; (i) garden and other landscaping; (j) ponds and streams; (k) picnic pods; (l) farmers market sheds; (m) an outdoor stage on the original Woodstock field with capacity for as many as 30,000 attendees; and (n) on-site and off-site parking areas (collectively, the "PAC") situate on fifteen (15) parcels of real estate consisting of approximately 649.17± acres to be located along New York State Route 17B

in the Town of Bethel, County of Sullivan, State of New York and identified on the Town of Bethel tax map as Section 21, Block 1, Lots 1.1, 1.30, 1.4, 1.25, 1.3, 4.1, 5.1, 8, 10, Section 22, Block 1, Lots 3, 4 and 64, Section 25, Block 1, Lot 20.1 and Section 26, Block 1, Lots 3.1 and 5 ("Land") and related facilities to be leased to the Agency; (ii) acquire and install thereon and therein certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construct improvements to the PAC, the Land and the Equipment (collectively, the PAC, the Land and the Equipment are referred to as the "Facility" or the "Project"); and (iv) lease the Facility back from the Agency to the Company; and

*WHEREAS*, the purposes or intentions of the Project are: (i) to offer and provide concerts at the Facility known as Bethel Woods Center for the Performing Arts, including classical, string quartet, operatic performances, popular and religious music, jazz and other contemporary music, dance, and theatrical performances; (ii) to promote, in connection with the performances and in connection with the Museum and Interpretive Center and the other facilities on the Land, community and economic development in Sullivan County and the surrounding region, including employment opportunities for unemployed and underemployed persons; (iii) through the Museum and Interpretive Center, to provide cultural and educational forums and opportunities to further explain the history and impact of the mid- 20<sup>th</sup> century and the music thereof (particularly the times and events surrounding and about the 1960s); (iv) through other activities of the Project and Bethel Woods, to provide various educational opportunities for middle and high school students, including music appreciation and opportunities to further explore and understand the pre- and post-Columbian history of the region; and (v) to provide for recreational activities on the Land including relaxation, hiking, and walking; and

*WHEREAS*, by Resolution, dated September 13, 2005 ("Resolution"), the Agency authorized the Company to act as its agent for the purpose of constructing, 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 construction, installation, equipping and operation of the Facility. The right of the Company to act as agent of the Agency shall expire on February 28, 2006, unless the Company enters into a certain Lease to Agency, Leaseback to Company and Payment in Lieu of Tax Agreement with the Agency by such date. This Agreement shall terminate upon expiration or termination of the Leaseback Agreement of even date herewith
2. 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 in or 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 (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 chief executive officer, executive director, 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 (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 reasonable expenses of same to the Agency upon demand.

3. 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 chief executive officer, executive director, 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 constructing, installing, equipping 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 chief executive officer, executive director, 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.
4. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination of insurance as contemplated herein, 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.

5. Additional Provisions Respecting Insurance.

- (a) All insurance required by Section 4 hereof 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.

6. 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.

7. 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:

The Bethel Performing Arts Center, LLC  
One Cablevision Center  
Liberty, New York 12754  
Attn: Jonathan Drapkin

with a copy to:

Philip Dropkin, Esq.  
One Cablevision Center  
Liberty, New York 12754

or at such other addresses 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.


8. Governing Law; Venue. 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 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: Sam Wohl, Chairman

THE BETHEL PERFORMING ARTS  
CENTER, LLC

By: Gerry Foundation, Inc., its Sole Member

  
By: Jonathan Drapkin, Executive Director  
and Vice-President