

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAXATION AGREEMENT ("PILOT Agreement") is made as of the 1st 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").

RECITALS

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York ("Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 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 its 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, Chapter 560 of the Laws of 1970 of the State (collectively referred to as the "Act") created the Agency which is empowered under the Act to undertake the providing of financing and leasing of the facility described below; and

WHEREAS, the Company has presented an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project ("Project") consisting of the (i) construction, installation and equipping of 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; (i) 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 ("Town"), County of Sullivan ("County"), State of New York and identified on the Town 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) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of 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- 20th 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, in order to induce the Company to develop the Facility, the Agency is willing to take a leasehold interest in the Facility pursuant to that certain Lease to Agency of even date herewith ("Lease Agreement") and lease the Facility back to the Company pursuant to the terms and conditions of that certain Leaseback to Company of even date herewith ("Leaseback Agreement"); and

WHEREAS, the Agency and the Company deem it necessary and proper to execute and deliver to the Agency this PILOT Agreement, at the Company's election, making provision for payments in lieu of taxes by the Company despite its tax exempt status as a not-for-profit entity for the benefit of the County and certain municipalities and taxing jurisdictions located therein (collectively referred to as the "Taxing Jurisdictions"); and

WHEREAS, all agreements of the Agency and the Company relating to payments in lieu of taxes shall be governed by this PILOT Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual terms, conditions, limitations and agreements set forth herein, and other good and valuable consideration,

the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed as follows:

1. Agreement to Make Payments in Lieu of Taxes. As long as the Agency holds a leasehold interest in the Facility, the Company opts, despite its tax exempt status as a not-for-profit entity, to pay annually to the Agency at One Cablevision Center, Ferndale, New York 12734, or at such other address as shall be designated from time to time by the Agency, annual payments in lieu of taxes ("PILOT Payments") computed in accordance with Section 2 of this PILOT Agreement.

2. Computation of PILOT Payments.

(a) 2005/2006 School and 2006 County/Town.

(i) Taxable Parcels: The Company does not presently receive or it has not applied for tax exemption as a not-for-profit entity for the following parcels located in the Town in anticipation of this PILOT Agreement:

Section - Block - Lot
21 - 1 - 1.25
21 - 1 - 1.30
25 - 1 - 20.1
26 - 1 - 5

As such tax bills have been generated for these parcels off the 2005 school/County/Town tax roll and 2006 County/Town tax roll. The Company has paid the taxes for these parcels as invoiced by the Taxing Jurisdictions for the 2005 and 2006 applicable tax years.

(ii) Exempt Parcels: The Company is exempt from paying real property taxes on the following parcels located in the Town based on its status as a not-for-profit entity:

Section - Block - Lot
21 - 1 - 1.1
21 - 1 - 1.3
21 - 1 - 1.4
21 - 1 - 4.1
21 - 1 - 5.1
21 - 1 - 8
21 - 1 - 10
22 - 1 - 3
22 - 1 - 4
22 - 1 - 64
26 - 1 - 3.1

Due to the Company's not-for-profit tax exempt status, tax bills were not generated off the 2005 school/County/Town tax roll and the 2006 County/Town tax roll for those parcels above listed in the chart ("Exempt Parcels"). To cover the 2005/2006 school tax and the 2006 County/Town tax, for the Exempt Parcels, upon execution of this PILOT Agreement, the Company shall pay to the Agency the sum of \$59,069.34 despite its tax exempt status. A copy of the PILOT calculation contemplated by this Section 2(a)(ii) is annexed hereto as Exhibit 2(a)(ii).

- (b) 2007 - 2026 Tax Years. For school, County, and Town taxes, the Company shall pay to the Agency on February 1, 2007 and each February 1st thereafter until February 28, 2026, unless earlier terminated in accordance with Sections 2.5(b), 7.2, 8.1 and 8.2 of the Leaseback Agreement the sum of \$69,676.52 ("Total Value Subject to PILOT") despite its tax exempt status for most of the parcels. A copy of the PILOT calculation contemplated by this Section 2(b) is annexed hereto as Exhibit 2(b).
3. Other Agreements Relating to PILOT Payments. The Agency shall remit to the Taxing Jurisdictions amounts received hereunder within thirty (30) days of receipt. The Agency shall allocate the PILOT Payments among the Taxing Jurisdictions in the same proportion as normal taxes would have been allocated but for the Agency's involvement.
4. Determination of Total Value Subject to PILOT. The Agency and the Company have agreed upon the Total Value Subject to PILOT for the Facility being \$69,676.52. Such valuation was made without regard to the actual cost of construction of improvements to be made at the Facility. Such valuation shall not be increased or decreased if the Facility or any related work on or improvements are completed in substantial conformity with the plans and specifications. Further, and for the avoidance of doubt, it is agreed that as long as the Facility is operated as a performing arts center, the Total Value Subject to PILOT shall not be modified upward or downward even in the event the Company constructs, installs, equips and operates attractions, buildings, structures, or improvements at the Facility beyond those contemplated in the 5th and 6th Whereas clauses of this PILOT Agreement.
5. Additional Payments. In addition to the PILOT Payments to be made by the Company to the Agency pursuant to this PILOT Agreement, the Company shall pay to the Agency all special assessments, special ad valorem levies, and any other similar charges for which the Agency shall be liable but only to the extent and for which it or the Company is not wholly exempt from taxation or the charge. Such payments shall be made within ten (10) days after the date upon which a bill shall be rendered by the Agency to the Company. Such charges shall be paid without adjustment, exemption or other deduction provided; in each case, however, subject to the Company's right to exemption or credits, if any, which would be afforded a private owner of the Facility, or the Company as a not-for-profit owner of the Facility, as if the Agency had no interest in the Facility. The Company hereby authorizes the Agency to request that any Taxing Jurisdiction bill the Company directly for all special assessments, special ad valorem levies and any other similar charges for which the Agency shall be liable but only to the extent it or the Company is not exempt from taxation or the charge. In the

event the Company is directly billed for such charges, the Company shall pay such charges within the time in which such statement or bill may be paid without interest or penalty.

6. Representations and Warranties.

- (a) The Company is duly authorized under all applicable provisions of law to enter into and perform this PILOT Agreement. The Company's entry into and performance of this PILOT Agreement will not violate any applicable provisions of law in any material respect and will not result in a breach of or a default under any agreement or instrument to which the Company is a party and will not result in the creation of any lien, charge or encumbrance upon any of the assets of the Company under any such agreement or instrument.
- (b) The Company is not a party to any agreement or subject to any restriction (including without limitation any agreement among or between its members) that materially and adversely effects its business assets or financial condition.
- (c) When executed, this PILOT Agreement will be a valid and binding obligation of the Company.

7. The Company's Right to Challenge. The Company shall have all of the rights and remedies of a taxpayer and a not-for-profit entity with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge (notwithstanding this PILOT Agreement), as if and to the same extent as if the Agency had no interest in the Facility.

The Company shall have all of the rights and remedies of a taxpayer and a not-for-profit entity as if and to the same extent as if the Agency had no interest in the Facility, with respect to the assessed value of the Facility by any of the Taxing Jurisdictions and shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or to oppose or assert exemption from the same under law or in equity.

8. Transfer of Facility to the Company. In the event that the Lease Agreement and the Leaseback Agreement are terminated and the Company is ineligible for a continued tax exemption under law or under some other tax incentive program (including, the Company's tax exemption status as a not-for-profit entity), or any available exemptions result in a payment to the Taxing Jurisdictions in excess of the payment computed pursuant to this PILOT Agreement, the Company shall thereafter pay, no later than the next tax lien date (plus any applicable grace period), to each of the Taxing Jurisdictions, such amount due thereon if any, as is required by law taking into consideration and subject to its status as a not-for-profit entity and subject to the Company's right to seek and obtain tax exemption as a not-for-profit entity for or relating to the Facility, which would have been levied on the

Facility if the Facility had been classified as fully taxable as of and after the date of transfer or loss of eligibility of all or a portion of the exemptions provided for herein less any such amounts actually billed to the Company as prorated or omitted taxes on such lien date. For example, if the Company elects to terminate this PILOT Agreement, effective January 30, 2010, the Company would be obligated to pay (unless it is otherwise tax exempt) no later than the next tax lien date (plus any applicable grace period) such amount due on the Facility for the following periods:

County/Town	January 1, 2010 through December 31, 2010
School	September 1, 2009 through August 31, 2010.

9. Involuntary Termination of Agreement. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the Company's obligations hereunder shall, to such extent, be amended taking into consideration and subject to its status as a not-for-profit entity and subject to the Company's right to seek and obtain tax exemption as a not-for-profit entity for or relating to the Facility.
10. Event of Default. During the term of this PILOT Agreement which term shall be coterminous with the Leaseback Agreement, the following shall be an event of default:
 - (a) The failure to make PILOT Payments within the time allowed for payment, time being of the essence;
 - (b) The failure of the Company to pay the amounts required to be paid pursuant to Sections 2.6, 3.3 or 3.7 of the Leaseback Agreement and such failure shall have continued for a period of ten (10) days after the Agency gives written notice of such failure to the Company;
 - (c) The adjudication of the Company as a bankrupt and the failure to vacate, set aside or terminate such adjudications within ninety (90) days thereafter;
 - (d) The appointment by any court of a receiver or trustee to take possession of all, or substantially all, of the assets of the Company which said appointment shall not have been discharged within a period of ninety (90) days after the filing of same;
 - (e) The making by the Company of a general assignment for the benefit of creditors;
 - (f) The abandonment of the Facility by the Company for a period of thirty (30) consecutive days or more, unless such abandonment is caused by fire or other catastrophe, war, terror, act of God or governmental order or decree without fault of the Company contributing thereto; provided, however, that in the event of fire or other catastrophe, the Company elects within ninety (90) days from the happening of such event to reconstruct the Facility;

- (g) The attachment, execution or other seizure of all or substantially all of the assets of the Company, which such attachment, execution or other seizure is not discharged within a period of sixty (60) days after the date of levy; or
 - (h) The failure, refusal or neglect of the Company to perform, keep or observe any of the terms, covenants and agreements herein contained on the part of the Company to be performed, kept or observed.
11. Remedies on Default in Payment: Termination. Upon the happening of an event of default as defined in Section 10 (a), (b) and (c) hereof and the Company fails to cure as provided herein, the Agency may immediately terminate this PILOT Agreement without further notice to the Company and without prejudice or limitation as to all other rights or remedies herein and/or under law or in equity. Such termination may be accomplished by terminating the Lease Agreement, the Leaseback Agreement, this PILOT Agreement and the Agent Agreement. The Company hereby appoints the Agency's Chairman, Vice-Chairman and Chief Executive Officer, each acting individually, as its attorneys-in-fact for the limited purpose of signing any forms necessary to accomplish the termination and conveyance. The Company acknowledges that the foregoing appointment is coupled with an interest and is irrevocable.
12. Remedies On Other Defaults: Termination. Upon the happening of an event of default as defined in Section 10 (d - h) hereof, if after thirty (30) days written notice to the Company specifying the event of default, the default shall not have been remedied within such thirty (30) day period, (or if, with reasonable diligence the default cannot be remedied within such thirty (30) day period, then within such extended period as may be reasonably required therefor) the Agency, at its option, may take any action hereinafter set forth and all such remedies shall be cumulative and not exclusive:
- (i) Recover damages for the breach of any covenant or condition hereof;
 - (ii) Seek an injunction to bar any actual or threatened violation or breach of this PILOT Agreement;
 - (iii) Seek any other remedy authorized by law or in equity; or
 - (iv) Terminate this PILOT Agreement, without prejudice or limitation as to all other rights or remedies herein and/or under law or in equity. Such termination may be accomplished by terminating the Lease Agreement, the Leaseback Agreement, this PILOT Agreement and the Agent Agreement. The Company hereby appoints the Agency's Chairman, Vice-Chairman and Chief Executive Officer, each acting individually as its attorneys-in-fact for the limited purpose of signing any forms necessary to accomplish the termination and conveyance.

13. Legal Fees on Default. If the Agency shall be required to take any action to enforce this PILOT Agreement or to collect any amount due hereunder, the Company shall be liable to pay, in addition to any other costs and expenses incurred by the Agency, its reasonable legal fees and the reasonable fees of any experts, accountants, or other professionals retained by it, without regard to whether the Agency shall have instituted any lawsuit or action at law or in equity in any court or before any body, provided such expenses were actually and necessarily incurred.
14. Late charges. If any PILOT Payment is not made by the Payment Due Date, or if any other payment required to be made hereunder is not made when due by the last day of any applicable cure period, the Company shall pay penalties and interest as provided herein. With respect to PILOT Payments, if said payment is not received by the Payment Due Date, the Company shall pay, in addition to the PILOT Payment, a late charge equal to four percent (4%) of the amount due plus interest on said payment equal to one percent (1%) per month or fraction thereof until the PILOT Payment, penalty and interest is paid in full. With respect to all other payments due hereunder, if said payment is not received when due or by the last day of any applicable cure period, the Company shall pay, in addition to said payment, the greater of (a) a late charge equal to four (4%) percent of the amount due plus interest on said payment equal to one (1%) percent per month or fraction thereof until said payment, penalty and interest is paid in full; or (b) penalties and interest which would have been incurred had payments made hereunder been made to the Taxing Jurisdictions.
15. Termination of Use, Modification. If the substantial use of the Facility shall be discontinued by the Company, the Total Value Subject to PILOT may be modified. It is understood that the benefits of this PILOT Agreement have been extended to the Company on the grounds set forth in various related agreements between the parties; that new jobs at the Facility will be an economic asset to the County's economy; that the creating of new jobs in the County is considered beneficial to the well being of the County as of the date of this PILOT Agreement and for the foreseeable future; and that the discontinuance of the substantial use of the Facility by the Company would alter the purpose for which this PILOT Agreement was made. In such event, the Agency may give notice to the Company that modification is required. If the parties cannot agree on the basis of modification the Agency may increase the Total Value Subject to PILOT to an amount not exceeding the assessed value of the Facility as determined by the Town Assessor (subject, however, to the Company's right to otherwise seek and obtain tax exemption for or relating to the Facility to fullest extent permitted under law).
16. Indemnification. The Company shall indemnify, defend and hold the Agency (and its chief executive officer, executive director, directors, officers, members, agents (except the Company), employees, servants and their successors, representative and assigns) harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever in relation to the Project, including reasonable expenses incurred by the Agency (and its chief executive officer, executive director, directors, officers, members, agents (except the Company), employees, servants and

their successors, representative and assigns) in defending any claim, suit or action which may result as a result 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 their representatives, 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.

17. No Recourse, Special Obligation. Notwithstanding anything to the contrary contained herein, the obligations and agreements of the Agency contained herein and in any other agreement executed by the Agency and in any other instrument or document supplemental thereto executed in connection therewith shall be deemed the obligation and agreements of the Agency, and not of any director, officer, member, agent (except the Company), employee or representative of the Agency in his or her individual capacity, and the chief executive officer, executive director, directors, officers, members, agents (except the Company), employees and representatives of the Agency shall not be liable personally thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State, the County, or any of the Taxing Jurisdictions, and neither the State, County, or any other Taxing Jurisdictions shall be liable thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute a limited obligation of the Agency payable solely from revenues derived from the sale of the Agency's interest in the Facility.

18. General Provisions.

(a) Notices. All notices provided for by this PILOT 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:

If 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 12701-1069
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.

- (b) Assignment. This PILOT Agreement may be assigned by the Company as contemplated by 6.3(b) of the Lease Agreement.
- (c) Binding Effect. This PILOT Agreement shall inure to the benefit of and shall be binding upon the Agency, the Company and its respective permitted successors and assigns.
- (d) Waiver. No waiver of any of the provisions of this PILOT Agreement shall be deemed to or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.
- (e) Severability. If any provision of this PILOT Agreement shall be determined to be illegal and unenforceable by any court of law or any competent governmental or other authority, the remaining provisions shall be severable and enforceable in accordance with its terms so long as this PILOT Agreement without such terms or provisions does not fail of its essential purpose or purposes. The parties will negotiate in good faith to replace any such illegal or unenforceable provision or provisions with suitable substitute provisions which will maintain the economic purposes and intentions of this PILOT Agreement.
- (f) Governing Law, Venue. This PILOT Agreement shall be governed by and construed in accordance with the laws of the State. The parties hereby designate a court of proper jurisdiction located in Sullivan County, New York as the exclusive venue for

resolution of any disputes which may arise under or by reason of this PILOT Agreement.

- (g) Survival of Obligations. The obligations of the Company to make PILOT Payments required by Section 1 hereof calculated to the earlier of the date of expiration or termination and all of the Company's indemnification obligations shall survive any termination or expiration of this PILOT Agreement.
- (h) Section Headings Not Controlling. The headings of the several sections in this PILOT Agreement have been prepared for convenience of reference only and shall not control, affect the meaning or be taken as an interpretation of any provision of this PILOT Agreement.
- (i) Entire Agreement. This PILOT Agreement sets forth the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior discussions and negotiations between them. This PILOT Agreement may not be amended in any respect except by a written amendment expressly referring to this PILOT Agreement and executed by the parties to be bound thereby.


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IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement effective as of the date hereof.

COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY

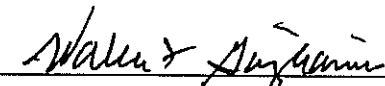

By: Sam Wohl, Chairman

THE BETHEL PERFORMING ARTS CENTER, LLC
By: Gerry Foundation, Inc., its Sole Member


By: Jonathan Drapkin, Executive Director and Vice
President

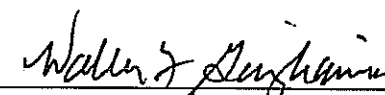
STATE OF NEW YORK)
)ss:
COUNTY OF SULLIVAN)

On the 21st day of February in the year 2006 before me, the undersigned, a Notary Public in and for said State, personally appeared Sam Wohl, 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, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


WALTER F. GARIGLIANO
Notary Public, State of New York
Sullivan County Clerk #4
Commission Expires June 30, 2006

STATE OF NEW YORK)
)ss:
COUNTY OF SULLIVAN)

On the 21st day of February in the year 2006 before me, the undersigned, a Notary Public in and for said State, personally appeared Jonathan Drapkin, 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, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

WALTER GARIGLIANO
Notary Public, State of New York
Sullivan County Clerk's #4
Commission Expires June 30, 2006

**2006 PILOT CALCULATION*
COUNTY OF SULLIVAN
INDUSTRIAL DEVELOPMENT AGENCY**

with
BETHEL PERFORMING ARTS CENTER, LLC

Combined County/Town Tax Rates		Monticello	Sullivan West	
County	0.006838037	School Rate	School Rate	
Town	0.006208132			
Tax Rate Total	0.013046169	0.0204104500	0.0194587690	
Section/Block/Lot	Assessed Value	County/Town Rate	PILOT Amount	TOTALS
School District		School Rate		
21-1-1.1	33,900.00	0.0130461690	442.27	
Monticello School		0.0204104500	691.91	
Special District			65.63	1,199.81
21-1-1.3	250,000.00	0.0130461690	3,261.54	
Monticello School		0.0204104500	5,102.61	
Special District			454.03	8,818.18
21-1-1.4	71,600.00	0.0130461690	934.11	
Sullivan West		0.0194587690	1,393.25	
Special District			158.21	2,485.56
21-1-4.1	129,300.00	0.0130461690	1,686.87	
Monticello School		0.0204104500	2,639.07	
Special District			250.33	4,576.27
21-1-5.1	107,300.00	0.0130461690	1,399.85	
Monticello School		0.0204104500	2,190.04	
Special District			185.85	3,775.75
21-1-8	54,200.00	0.0130461690	707.10	
Monticello School		0.0204104500	1,106.25	
Special District			98.93	1,912.28
21-1-10	143,800.00	0.0130461690	1,876.04	
Sullivan West		0.0194587690	2,798.17	
Special District			301.79	4,976.00
22-1-3	109,500.00	0.0130461690	1,428.56	
Monticello School		0.0204104500	2,234.94	
Special District			212.01	3,875.51
22-1-4	650,390.00	0.0130461690	8,485.10	
Monticello School		0.0204104500	13,274.75	
Special District			1,259.22	23,019.07
22-1-64	27,300.00	0.0130461690	356.16	
Monticello School		0.0204104500	557.21	
Special District			52.86	966.23
26-1-3.1	98,200.00	0.0130461690	1,281.13	
Monticello School		0.0204104500	2,004.31	
Special District			179.24	3,464.68
			Total 2006 PILOT	\$59,069.34
*The calculations that are set forth in in this PILOT have been calculated using the assessments as per the 2004 County/Town tax bills; the 2004 County tax rate; and the 2004 Town of Bethel tax rate.				

**EXHIBIT
2(a)(ii)**



2007-2026 PILOT CALCULATION*
COUNTY OF SULLIVAN
INDUSTRIAL DEVELOPMENT AGENCY

with
BETHEL PERFORMING ARTS CENTER, LLC

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Section/Block/Lot School District	Assessed Value	County/Town Rate School Rate	PILOT Amount	TOTALS
21-1-1.1	33,900.00	0.0130461690	442.27	
Monticello School		0.0204104500	691.91	1,134.18
21-1-1.3	250,000.00	0.0130461690	3,261.54	
Monticello School		0.0204104500	5,102.61	8,364.15
21-1-1.4	71,600.00	0.0130461690	934.11	
Sullivan West		0.0194587690	1,393.25	2,327.35
21-1-4.1	129,300.00	0.0130461690	1,686.87	
Monticello School		0.0204104500	2,639.07	4,325.94
21-1-5.1	107,300.00	0.0130461690	1,399.85	
Monticello School		0.0204104500	2,190.04	3,589.90
21-1-8	54,200.00	0.0130461690	707.10	
Monticello School		0.0204104500	1,106.25	1,813.35
21-1-10	143,800.00	0.0130461690	1,876.04	
Sullivan West		0.0194587690	2,798.17	4,674.21
22-1-3	109,500.00	0.0130461690	1,428.56	
Monticello School		0.0204104500	2,234.94	3,663.50
22-1-4	650,390.00	0.0130461690	8,485.10	
Monticello School		0.0204104500	13,274.75	21,759.85
22-1-64	27,300.00	0.0130461690	356.16	
Monticello School		0.0204104500	557.21	913.37
26-1-3.1	98,200.00	0.0130461690	1,281.13	
Monticello School		0.0204104500	2,004.31	3,285.44
21-1-1.30	42,500.00	0.0130461690	554.46	
Sullivan West		0.0194587690	827.00	1,381.46
21-1-1.25	53,500.00	0.0130461690	697.97	
Sullivan West		0.0194587690	1,041.04	1,739.01
25-1-20.1	233,400.00	0.0130461690	3,044.98	
Sullivan West		0.0194587690	4,541.68	7,586.65
26-1-5	93,200.00	0.0130461690	1,215.90	
Monticello School		0.0204104500	1,902.25	3,118.16

Total 2007 - 2026 PILOT **\$69,676.52**

* Special District taxes are payable by the Company pursuant to §5 of the PILOT and are not included in the above calculations.

* The calculations that are set forth in this PILOT have been calculated using the assessments as per the 2004 County/Town tax bills; the 2004 County tax rate; and the 2004 Town of Bethel tax rate.

EXHIBIT
2(b)