HINMAN, HOWARD & KATTELL, LLP

ATTORNEYS AT LAW

JAMES W. ORBAND»;
LAWRENCE C. ANDERSON
JAMES S. GLEASON
JAMES S. GLEASON
JAMES S. GREASON
JAMES S. FRANCE;
JAMES S. FRANCE;
LILLUM L. LEVY
KENNETH F. TOMKO
PAUL T. SHEPPARD;
HARVEY D. MERVIS
LESLE PRECHTL GUY
JOHN E. JOHNES;

MICHAEL S. SINICKI CLIFFORD S. WEBER ROBERT N. WEDLAKE; ROBALD L. GREENE; ANN S. CLIANFLONE; JON J. SARRA; DAWN J. LAMOUETTE TIMA FERNANDEZ LIMDA B. JOHNSON ; GARY C. TYLER JOHN R. SEDOSKY MATTHEW A. VITAMEA BRICKA L. LAWSON MEGAN E. CURINGA;

700 SECURITY MUTUAL BUILDING
80 EXCHANGE STREET • P.O. BOX 5250
BINGHAMTON, NY 13902-5250
(607) 723-5341
TIOGA COUNTY (607) 687-7144
FAX: (607) 723-6605
WWW.HHK.COM

JOHN E. JONES, ESQ. DIRECT PHONE: (607) 231-6738 E-MAIL: jjones@hhk.com

August 1, 2014

Via Federal Express
Schuyler County Industrial Development Agency
Attention: Chief Executive Officer
2 N. Franklin Street
Watkins Glen, New York 14891

DONALD R. CAMPBELL
RICHARD S. RINGWOOD
BRIAK R. WRICHTS
ANY SHAPIRO
PREDERICK A. GRIFFEN
DWICHT R. SALL?
LONI GRUNET SKALP;
NOWICHT R. SALL?
LONI GRUNET SHEEP
WILLIAM G. EURTIS.) R.
SARAH GRACE CAMPBELL
JON S. BLECHMAN
RAPH R. KERSLER
ELLEN LEARY COCCOMA
RAPH R. KERSLER
KENNERLY B. MOSTUMP!
MARK LEVY C. COCC
MINISTRUMP!
MARK LEVY C. COCC
MINISTRUMP!
MARK LEVY C. COCC
MINISTRUMP!
MARK WEISBMANN;
MINISTRUMP!
MARK D. MEWILLIAMB;
MARK D. MEGNORIAMB;
MEGN

JOHN M. KEELER
RICHARD N. PILLE
COLINY T. AWAYLOR, (II
ERIK EDWARD JOHO
O'COUNTED
O'CO

Re: Application to Schuyler County Industrial Development Agency for Watkins Glen Apartment Company, LLP

Dear Sir/Madam:

Enclosed herein please find the Application to Schuyler County Industrial Agency (SCIDA) for Tax Exempt Bond Financing and/or Straight-Lease Transition and Fee Schedule.

Also enclosed is a check for \$3,000.00 made out to Watkins Pilot Program.

Should you have any questions please feel free to contact me at your earliest convenience.

Вy

Very truly yours,

HIMAN, HOWARD & KATTELL, LLP

John E. Jones

JEJ/af

Enclosures

Application to

Schuyler County Industrial Development Agency (SCIDA)

For

Tax Exempt Bond Financing

and/or

Straight-Lease Transaction

And

Fee Schedule

Please contact the agency for more information regarding project eligibility and application process.

ADOPTED MAY 12, 2010

Schuyler County Industrial Development Agency (SCIDA)

2 N. Franklin Street Watkins Glen, New York 14891

INSTRUCTIONS

- 1. The Agency will not approve any applications unless, in the judgment of the Agency, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
- Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to 2. the project which is the subject of this application (the "Project").
- If an estimate is given as the answer to a question, put "(est)" after the figure or answer, which is 3.
- If more space is needed to answer any specific question, attach a separate sheet. 4.
- 5. When completed, return this application to the Agency at the address indicated on the first page of
- 6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project.
- 7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of Public Officers Law.
- 8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered a part of the project and included as a part of the resultant bond issue.
- 9. The Agency has established an application fee of \$3,000.00 to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.
- The Agency has established a project fee for each project in which the Agency participates. 10. UNLESS THE AGENCY AGREES IN WRITING TO THE CONTRARY, THIS PROJECT FEE IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY.

This application should be submitted to the Schuyler County Industrial Development Agency, 2 N. Franklin Street, Watkins Glen, New York 14891 (Attn: Chief Executive Officer).

Schuyler County Industrial Development Agency (SCIDA)

2 N. Franklin Street Watkins Glen, New York 14891

Taxable and Tax Exempt Industrial Development Revenue Bonds

Application Fee:

A fee of \$3,000.00 is payable to SCIDA at the time the application is submitted. \$2,500 will be credited at closing; \$500 is non-refundable. If this Application is not accepted by the Agency, portions of the \$2,500 deposit may be refunded.

Fee:

1.00% of the principal amount of the bond series.

Straight-Lease Transactions

Application Fee:

A fee of \$3,000.00 is payable to SCIDA at the time the application is submitted. \$2,500 will be credited at closing; \$500 is non-refundable. If this Application is not accepted by the Agency, portions of the \$2,500 deposit may be refunded.

Fee:

With a PILOT:

First \$10 million - 1.00% Second \$10-\$20 million - .5%

Anything greater than \$20 million - .25%

No PILOT - 25% of the abatement value (based on savings from mortgage

tax and sales tax).

Schuyler County Industrial Development Agency (SCIDA) Application for Tax Exempt Bond Financing and/or Straight-Lease Transaction

I. APPLICANT INFORMATION

	Company Name: Watkins Glen Apartments Company I, LP				
	Address: 53 Front Street				
		Bingha	mton, NY 13905		
	Phone No.:	607-72	3-8989		
	Fax No.:	607-72	3-8980		
	Federal Tax ID:				
Contact Person: Anthony Fiala					
	E-Mail:	TFiala	@seppinc.com	ν,	
	Date:	July 28	3, 2014		
a. b.	Limited Pa	ip (Gene artners _ ability Co rietorshi	ctors: (List owners with 5% or more in equity holdings	s with percentage of ownership)	
	Name		Address	Percentage Ownership/Office	
	Sepp Watkins Glen, Ir		53 Front St., Binghamton, NY 13905	.01%	
	Lakewood Developme	ent, LLC	6320 Fly Rd., East Syracuse, NY 13057	99.99%	
	(Use attachments	if neces	sarv)		
C.	If a corporation, partner What is the date of est	ership, lii tablishm	mited liability company: N/A		
	(Attach organizational	ch organizational chart or other description if applicant is a subsidiary or otherwise affiliated with another entity)			

Co	rporation		
Pa	rtnership (Generalo		artners and, if applicable, Number of
		Partners in section below.	
··		Number of Members	
50	le Proprietorship		
rincipal Owners	s/Officers/Directors: (Lis	owners with 5% or more in equity	holdings with percentage of ownership)
Na	me	Address	Percentage Ownership/Office
/11451			
Attach cert	nments if necessary) ified financial statement est Form 10K as well.	s for the company's last three comp	olete fiscal years. If the company is publi
Attach cert , attach the late	ified financial statement est Form 10K as well.	II. APPLICANT'S COUNSEL	, , ,
Attach cert , attach the late Name/Firm:	ified financial statement est Form 10K as well. Hinman Howard & Ka	II. APPLICANT'S COUNSEL	
Attach cert , attach the late	ified financial statements est Form 10K as well. Hinman Howard & Kanada &	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250	
Attach cert , attach the late Name/Firm: Address:	ified financial statement est Form 10K as well. Hinman Howard & Ka	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250	olete fiscal years. If the company is publi
Attach cert , attach the late Name/Firm:	ified financial statements est Form 10K as well. Hinman Howard & Ka 80 Exchange Street, Binghamton, NY 139	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250	
Attach cert, attach the late Name/Firm: Address: Phone No.:	ified financial statements est Form 10K as well. Hinman Howard & Ka 80 Exchange Street, Binghamton, NY 138 607-723-5341	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250	
Attach cert, attach the late Name/Firm: Address: Phone No.: Fax No.:	ified financial statements est Form 10K as well. Hinman Howard & Ka 80 Exchange Street, Binghamton, NY 139 607-723-5341 607-723-6605 JHayes@hhk.com	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250	
Attach cert, attach the late Name/Firm: Address: Phone No.: Fax No.: E-Mail:	ified financial statements est Form 10K as well. Hinman Howard & Kanana Street, Binghamton, NY 139 607-723-5341 607-723-6605 JHayes@hhk.com	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250 002	- - -
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Attach cert, attach the late Name/Firm: Name/Firm: Address: Phone No.: Fax No.: E-Mail: Please provide	ified financial statements est Form 10K as well. Hinman Howard & Kanage Street, Binghamton, NY 138 607-723-5341 607-723-6605 JHayes@hhk.com	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250 102 II. PROJECT INFORMATION ion of the Project (attach additional acts of the Watkins Gle	Sheets or documentation as necessary).
Attach cert, attach the late Name/Firm: Name/Firm: Address: Phone No.: Fax No.: E-Mail: Please provide Project co. 50 units o	ified financial statements est Form 10K as well. Hinman Howard & Karange Street, Binghamton, NY 139 607-723-5341 607-723-6605 JHayes@hhk.com	II. APPLICANT'S COUNSEL attell, LLP PO Box 5250 102 II. PROJECT INFORMATION ion of the Project (attach additional acts of the Watkins Gle	sheets or documentation as necessary).

d. If the applicant entity is a subsidiary of a corporation or another entity, provide all parent information:

b. Location of	Project	
Project Ad	dress:	200 10th Street
Town/Villa	ge of:	Watkins Glen, NY 14891
Name of S	School District:	Watkins Glen School District
Tax Map N	lo.:	65.13-4-42
d. Present leg Watkins G e. Zoning of P Current: f. Are any zon g. Local Perr explain.Receive prepared. h. Has anoth ; If yo	gal owner of the site len School District; roject Site: Residential High ing approvals need mitting and Approval site plan approval 11/2 ner entity been de es, please explain:	Proposed: Same led? Identify: No rals – Does the project require local planning or permitting approvals? If so, please 26/13Will a site plan application to be filed? If so, please include copy if esignated lead agent under the State Environmental Quality Review Act ("SEQRA")?
j. Will the Pro	New York to anoth	moval of a plant or facility of the Applicant or a proposed Project occupant from one area er area of the State of New York? No ; If yes, please explain: abandonment of one or more plants or facilities of the Applicant or a proposed Project New York? No ; If yes, explain:
k. If the answ	er to either question	n i. or j. is yes, indicate whether any of the following apply to the Project:
1.	Is the Project rea	asonably necessary to preserve the competitive position of the Company or such Project ndustry? Yes; No If yes, please provide detail:
2.	such other plant	asonably necessary to discourage the Company or such Project Occupant from removing or facility to a location outside the State of New York? Yes; No If yes, etail:
l. Does the F	Project include fact o personally visit si	ilities or property that are primarily used in making retail sales of goods or services to uch facilities? No_; If yes, please explain:

1.	Will the Project be operated by a not-for-profit corporation? Yes X; No If yes, please explain:
	SEPP, Inc.
2.	Is the Project likely to attract a significant number of visitors from outside the economic developmer region in which the Project will be located? Yes_X; No If yes, please explain:
	Auditorium and boys gym will be kept in tact and used as community space. Residents
3.	in apartments will get visitors. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the Project and related jobs outside of New York State? Yes; No _x If yes, please explain:
4.	Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City, Town or Village within which the Project will be located because of a lack of reasonably accessible retail trade facilities offering such goods of services? Yes_X_; No If yes, please explain:
	New senior residential apartments
5.	Will the Project be located in one of the following: (i) an area designed as an Empire Zone pursuant (Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract)
s the	
s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; No X If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes
s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tractor block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; Nox If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yesyes, please complete the following for EACH existing or proposed tenant or subtenant: Sub lessee name:
s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tractor block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; Nox If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yesyes, please complete the following for EACH existing or proposed tenant or subtenant: Sub lessee name:
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s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; NoX If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yesyes, please complete the following for EACH existing or proposed tenant or subtenant: Sub lessee name: Present Address: State: Zip:
s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; Nox If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yesyes, please complete the following for EACH existing or proposed tenant or subtenant: Sub lessee name: Present Address: State: Zip: Employer's ID No.: State: Zip:
s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; NoX If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yesyes, please complete the following for EACH existing or proposed tenant or subtenant: Sub lessee name: Present Address: City: State: Zip: Employer's ID No.: (Corporation, LLC, Partnership, Sole Proprietorship)
s the	Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has (x) poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes; No X If yes, please explain: Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yesyes, please complete the following for EACH existing or proposed tenant or subtenant: Sub lessee name: Present Address: City: State: Zip: Employer's ID No.: (Corporation, LLC, Partnership, Sole Proprietorship) Relationship to Company:

p. Project Costs (Estimates):

Category	Amount
Land-acquisition	550,000
Buildings-Construction/Renovation	10,227,392
Utilities, roads and appurtenant costs	0
Machinery and Equipment	0
Soft Costs (Architect and Engineering Fees)	(est.) 1,779,400
Costs of Bond issue	0
Construction Loan Fees and interest	315,816
Other (specify)	312,786
Total Project Costs	11,769,145

q. Job	Creation:
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Construction jobs created by the Project:_	30	Anticipated Dates of Construction:	<u> 10/2014 - 11/2015</u>

Permanent jobs created by the Project

Column A: Insert the job titles that exist within the company at the time of application, as well as any job titles that will be established as a result of the Project.

Column B: Indicate the entry level wage for each listed job title either in terms of hourly pay or annual salary.

Column C: For each listed job title insert the number of positions that exist at the time of application. Column D:

Insert the number of jobs to be created during year one of the Project for each listed job title. Column E: Insert the number of jobs to be created during year two of the Project for each listed job title. Insert the number of jobs to be created during year three of the Project for each listed job title. Column F:

Column G: Indicate the total number of jobs to be created for each listed title as a result of the Project. (Column D + Column E +

Column F = Column G)

(A) Job Title	(B) Annual or Hourly Wages	(C) Current Number of Positions	(D) Jobs Created: Year One	(E) Jobs Created: Year Two	(F) Jobs Created: Year Three	(G) Total Jobs Created
Building Manager	To be decided		1	all our Borner de l		1
Building Manager	To be decided		1			1
			<u> </u>			
,						
		i				
20						
TOTALS:			2			2

Potential SCIDA Financial Assistance

A. 1.	Estimated Project Costs eligible for Industrial Development Ag Sales and Use Tax	gency Financial Assistance	
1.	A. Amount of Project Cost Subject to Sales and Use Tax:	\$ 8,954,826	
	Sales and Use Tax Rate:	8.0 %	
	B. Estimated Sales Tax (A X .075):	\$ 716,836	
2.	Mortgage Recording Tax Exemption	¥ 7 10,030	
	A. Projected Amount of Mortgage:	\$ 9,055,602	
	Mortgage Recording Tax Rate:	1.00 %	
	B. Estimated Mortgage Recording Tax (A X .0075):	\$ 90,556	
3.	Real Property Tax Exemption		
	A. Projected Increase in Assessed Value on Project:	\$ 948,674	
	B. Total Applicable Tax Rates Per \$1000:	\$32.2	
	C. Estimated Annual Taxes without PILOT (A X B)/1,000:	\$30,547	
4.	Interest Exemption (Bond transactions only)		
	a. Total Estimated Interest Expense Assuming Taxable Inter	rest: \$	
	b. Total Estimated Interest Expense Assuming Tax-exempt		
	Interest Rate:	\$	
B. 1. 2. 3. r. F locat	Current Company payroll in Schuyler County Project Jobs to be Created over 3 years or Industrial Revenue Bonds ONLY, including this project tion: Category Last Three Years Land	0 \$ 0 2 t, list capital expenditures of the company at F	Project
ŀ	Building		
-	Equipment		_
	Soft Costs		
	Other		
	Total		
	List any other positive impacts that the Project may have on Schu Elderly residents will be able to remain in the commu- allow Village to have a venue for tourist events.	·	. Will

The Applicant understands and agrees with the Agency as follows:

A. Job Listings: In accordance with Section 858-b (2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

- B. <u>First Consideration for Employment:</u> In accordance with Section 858-b (2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. <u>Annual Sales Tax Filings:</u> In accordance with Section 874 (8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874 (8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.
- D. <u>Annual Employment Reports:</u> The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

E.	Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers, employees and Counsel of the Agency. No member, officer, employee, or Counsel of the Agency.
	has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
	described

HOLD HARMLESS AGREEMENT AND APPLICATION DISCLAIMER CERTIFICATION PURSUANT TO NEW YORK STATE FREEDOM OF INFORMATION LAW ("FOIL")

Applicant hereby releases the SCHUYLER COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

Through submission of this Application for Financial Assistance (this "Application"), the Company acknowledges that the Agency, as a public benefit corporation, is subject to the New York State Freedom of Information Law ("FOIL") and Open Meetings Law ("OML"), as codified pursuant to the Public Officers Law ("POL") of the State of New York (the "State"). Accordingly, unless portions hereof are otherwise protected in accordance with this Certification, this Application, including all Company-specific information contained herein, is subject to public disclosure in accordance with applicable provisions of the POL, Article 18-A of the General Municipal Law ("GML") and the Public Authorities Accountability Act of 2005, as codified within the Public Authorities Law ("PAL") of the State. Specifically, this Application may be disclosed by the Agency to any member of the public pursuant to a properly submitted request under FOIL and the Agency is further required to affirmatively disclose certain provisions contained herein pursuant to the GML and PAL, including the identification of the Company, general project description, location proposed capital investment and job estimates.

Notwithstanding the foregoing, the Company, pursuant to this Certification, may formally re	quest that the Agency consider
certain information contained within this Application and other applicable supporting materia	
"trade secrets", as defined within POL Section 87(2)(d). To the extent that any such information	
secrets, the Company hereby requests that the Agency redact same in the event that forma	al disclosure is requested by any
party pursuant to FOIL. Application Sections or information requested by Company for Rec	laction*:
	100000000

(* - Please indicate specific sections within Application that the Company seeks to qualify as "trade secrets". Additional correspondence or supporting information may be attached hereto. Please also note that notwithstanding the Company's request, the Agency shall make an independent determination of the extent to which any information contained herein may be considered as such)

In the event that the Agency is served with or receives any subpoena, request for production, discovery request, or information request in any forum that calls for the disclosure of the Application, in entirety, specifically including but not limited to any demand or request for production or review of Company-designated trade secrets, the Agency agrees to notify the Company as promptly as is reasonably possible, and to utilize its best efforts to: oppose or decline any such request; preserve the confidentiality and non-disclosure of such requested confidential material; and maintain such information and prevent inadvertent disclosure in responding to any such discovery or information request. The Company understands and agrees that all reasonable costs, including attorney's fees, associated with any such formal undertaking by the Agency to protect the trade secrets from disclosure shall be reimbursed by the Company to the Agency.

The undersigned officer of the applicant deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the Agency and legal counsel for the Agency, whether or not the Application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the proposed project described herein and (C) any further action taken by the Agency with respect to the proposed project; including without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing.

By executing and submitting this Application, the applicant covenants and agrees to pay the following fees to the Agency, the same to be paid at the times indicated:

- (a) A fee of \$3,000.00 is payable to SCIDA at the time the application is submitted. \$2,500 will be credited at closing; \$500 is non-refundable. If this Application is not accepted by the Agency, portions of the \$2,500 deposit may be refunded.
- (b) An amount equal to 1.00% of the total project costs for projects with bond financing, and an amount reflecting the scaled fee noted on page 3 for Straight-Lease Transactions for all other projects for which the Agency provides financial assistance, to be paid at transaction closing;
- (c) An amount determined by Agency Staff payable to the Agency's bond/transaction counsel for the preparation and review of the inducement resolution, the environmental compliance resolution, TEFRA hearing proceedings and the tax questionnaire assuming no further activity occurs after the completion of the inducement proceedings, to be paid within ten (10) business days of the receipt of bond/transaction counsel's invoice;
- (d) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel or bond/transaction counsel, and (2) other consultants retained by the Agency in connection with the proposed project; with all such charges to be paid by the applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore please note that the applicant is entitled to receive a written estimate of fees and costs of the Agency's bond/transaction counsel;
- (e) The cost incurred by the Agency and paid by the applicant, including bond/transaction counsel and the Agency's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.

The applicant further covenants and agrees that the applicant is liable for payment to the Agency of all charges referred to above, as well as all other actual costs and expenses incurred by the Agency in handling the application and pursuing the proposed project notwithstanding the occurrence of any of the following:

(a) The applicant's withdrawal, abandonment, cancellation or failure to pursue the Application;

- (b) The inability of the Agency or the applicant to procure the services of one or more financial institutions to provide financing for the proposed project;
- (c) The applicant's failure, for whatever reason, to undertake and/or successfully complete the proposed project; or
- (d) The Agency's failure, for whatever reason, to issue tax-exempt revenue bonds in lieu of conventional financing.

The applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Company Acknowledge

Ву:

Name:

Title:

Sworn to before me this day of

Notary Public

JOHN E. JONES NOTARY PUBLIC, State Of New York No. 4948254

Residing in Broome County

My Commission Expires March 13, 20

Schuyler County Industrial Development Agency Project Summary and Financial Assistance Cost Benefit Analysis

(This page to be completed by SCIDA Staff)

Company	Name:	
Project De		
Project Lo	cation:	
Town/Villa	ge:	
School Dis	strict:	
	Estimated Cost of Industrial Development Agency Financial As	sistance
1,,	Sales and Use Tax Exemption	
	A. Amount of Project Cost Subject to Sales and Use Tax: Sales and Use Tax Rate: B. Estimated Exemption (A X .0775):	\$ 8.0% \$
2.	Mortgage Recording Tax Exemption	•
	A. Projected Amount of Mortgage: Mortgage Recording Tax Rate: B. Estimated Exemption (A X ,0075):	\$ 1.0% \$
3.	Real Property Tax Exemption	·
	 A. Projected increase in Assessed Value on Project: B. Total Applicable Tax Rates Per \$1000: C. Total Annual Taxes without PILOT (A X B)/1,000: D. PILOT Exemption Rate (see SCIDA Uniform Tax Exemption Policy): E. Average Annual PILOT Payment (C X D): F. Net Exemption over PILOT term ((C-E) x 7, 10 or 15)): 	\$ \$ \$ % \$
4.	Interest Exemption (Bond transactions only)	
	 a. Estimated Interest Expense Assuming Taxable Interest: b. Estimated Interest Expense with tax-exempt Interest Rate: c. Interest Exemption (a - b): 	\$ \$ \$
	Estimated Benefits of Industrial Development Agency Financia	I Assistance
1. 2. 3.	Jobs to be retained in Schuyler County Current Company payroll in Schuyler County Project Jobs to be Created over 3 years	\$
4. 5.	Total Project Investment Non IDA financing leveraged	\$ \$
6. A	Other project benefits:	Date: 7- 29-2014

CHECKING DEPOSIT

DATE ?

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE TERMS AND CONDITIONS OF THE BANK'S COLLECTION AGREEMENT, DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

County BOA NAME Schuyler

Versaleq € 1999 CET-464nype REV 09/10

ACCOUNT NUMBER

0073

CASH INCLUDING COIN

VESCUIT HON

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CENIO

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0073 Check Number:

53 FRONT ST. BINGHAMTON, NY 13905-4791 SEPP INC. WATKINS GLENN

Watkins Pilot Agreement

Memo:

Three Thousand and 00/100 Dollars

2 North Franklin Street TO THE WATKINS GLEN, NY 14891

ORDER

OUTSIEVE WITH

SCIDA

Chemung Canal Trust Company Co

Jul 24, 2014 Contract Contract

3,000.00

Security features Datails on back

AMOUNT

DATE

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