

CLOSING ITEM NO.: A-6

COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY

AND

1406RB PV LLC

PAYMENT IN LIEU OF TAX AGREEMENT

DATED AS OF DECEMBER 1, 2017

RELATING TO THE PREMISES LOCATED AT 1406RB BUFFALO
STREET (A/K/A 1420 AND 1404-06R BUFFALO STREET) (TAX ID #'S
94.048-1-1.1 AND 94.048-1-1.2) IN THE CITY OF OLEAN,
CATTARAUGUS COUNTY, NEW YORK.

TABLE OF CONTENTS

(This Table of Contents is not part of the Payment in Lieu of Tax Agreement and is for convenience of reference only.)

PARTIES.....	1
RECITALS.....	1

ARTICLE I

REPRESENTATIONS AND WARRANTIES

Section 1.01.	Representations of and Warranties by the Agency	5
Section 1.02.	Representations of and Warranties by the Company	5

ARTICLE II

COVENANTS AND AGREEMENTS

Section 2.01.	Tax-Exempt Status of the Project Facility	7
Section 2.02.	Guaranteed Payments in Lieu of Taxes; Other Payments in Lieu of Taxes.....	7
Section 2.03.	Credit for Taxes Paid	11
Section 2.04.	Late Payments	11
Section 2.05.	Nature of the Obligations of the Company Hereunder	12

ARTICLE III

LIMITED OBLIGATION

Section 3.01.	No Recourse; Limited Obligation of the Agency	13
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ARTICLE IV

EVENTS OF DEFAULT

Section 4.01.	Events of Default	14
Section 4.02.	Remedies on Default	14
Section 4.03.	Payment of Attorney's Fees and Expenses	15
Section 4.04.	Remedies; Waiver and Notice.....	15

ARTICLE V

MISCELLANEOUS

Section 5.01.	Term	17
Section 5.02.	Form of Payments	17
Section 5.03.	Company Acts.....	17
Section 5.04.	Amendments	18
Section 5.05.	Notices	18
Section 5.06.	Binding Effect.....	19

Section 5.07.	Severability	19
Section 5.08.	Counterparts	19
Section 5.09.	Applicable Law	19
TESTIMONIUM.....		20
SIGNATURES		20
ACKNOWLEDGEMENTS		21
EXHIBIT A - Description of the Leased Land		A-1

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT dated as of December 1, 2017 (the "Payment in Lieu of Tax Agreement") by and between COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 9 East Washington Street, Ellicottville, New York (the "Agency"), and 1406RB PV LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 11550 Ash Street, Suite 300, Leawood, Kansas (the "Company");

WITNESSETH:

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of 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 purposes, in order to advance the job opportunities, health, general prosperity and 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, for the purpose of carrying out any of its corporate purposes, to lease or sell any or all of its facilities, whether then owned or thereafter acquired; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 536 of the Laws of 1971 of the State (collectively, with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, in June, 2017, Steel Winds LLC (the "Applicant") on behalf of the Company, presented an application (the "Application") to County of Cattaraugus Industrial Development Agency (the "Agency"), a public benefit corporation duly established under Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 536 of the 1971 Laws of New York, as amended, constituting Section 890-b of said General Municipal Law of the State of New York (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to include the following: (A) (1) the acquisition of an interest in a portion of an approximately 25 acre parcel of land located at 1406RB Buffalo Street (a/k/a 1420 and 1404-06R Buffalo Street) (Tax ID #'s 94.048-1-1.1 and 94.048-1-1.2) in the City of Olean, Cattaraugus County, New York (collectively, the "Land"), (2) the construction on the Land of a 4MW AC solar photovoltaic facility (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility,

and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute a solar farm and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on June 15, 2017 (the "Public Hearing Resolution"), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the "Public Hearing") pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on June 21, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted (1) at the Agency Offices located at 9 East Washington Street in the Town of Ellicottville, Cattaraugus County, New York on June 21, 2017, (2) at the Olean City Hall bulletin board located at 101 East State Street in the City of Olean, Cattaraugus County, New York on June 23, 2017 and (3) on the Agency's website on June 22, 2017, (C) caused notice of the Public Hearing to be published on June 23, 2017 in the Olean Times Herald, a newspaper of general circulation available to the residents of City of Olean, Cattaraugus County, New York, (D) conducted the Public Hearing on July 7, 2017 at 12:00 p.m., local time at the Olean City Hall located at 101 East State Street, Room #12- Basement Level, in the City of Olean, Cattaraugus County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on June 15, 2017 (the "Preliminary SEQR Resolution"), the Agency (A) determined (1) that the Project involves more than one "involved agency", and (2) that, the Agency wished to investigate the advisability of undertaking a coordinated review with respect to the Project and (B) authorized the Executive Director of the Agency to contact all other "involved agencies" for the purpose of ascertaining whether such "involved agencies" were interested in undertaking a coordinated review of the Project and, if so, designating a "lead agency" with respect to the Project (as such quoted terms are defined in SEQRA); and

WHEREAS, further pursuant to SEQRA, by resolution adopted by the members of the Agency on September 19, 2017 (the "Final SEQR Resolution"), the Agency (A) concurred in the determination that the City of Olean Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board dated June 10, 2015 (the "Negative Declaration"), in which the Planning Board determined that the Project will not have a "significant environmental impact on the environment" (as such quoted terms are defined in SEQRA); and

WHEREAS, the Agency's Uniform Tax Exemption Policy (the "Policy") provides a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility. In connection with the Application, the Company made a request to the Agency (the "Pilot Request") that

the Agency deviate from the Policy with respect to Project Facility. Pursuant to the resolution adopted by the members of the Agency on July 25, 2017 (the "Pilot Deviation Notice Resolution"), the members of the Agency authorized the Executive Director of the Agency to send a notice to the chief executive officers of the "Affected Tax Jurisdictions" (as defined in the Act) pursuant to Section 874(4) of the Act, informing said individuals that the Agency had received the Pilot Request and that the members of the Agency would consider said request at a meeting of the members of the Agency scheduled to be held on September 19, 2017. The Executive Director of the Agency caused a letter dated August 3, 2017 (the "Pilot Deviation Notice Letter") to be mailed to the chief executive officers of the Affected Tax Jurisdictions, informing said individuals that the Agency would, at its meeting on September 19, 2017, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility (the "Payment in Lieu of Tax Agreement") and the reasons for said proposed deviation; and

WHEREAS, by resolution adopted by the members of the Agency on September 19, 2017 (the "Pilot Deviation Approval Resolution"), the members of the Agency determined to deviate from the Agency's uniform tax exemption policy with respect to the Project; and

WHEREAS, by further resolution adopted by the members of the Agency on September 19, 2017 (the "Approving Resolution"), the Agency determined to grant the Financial Assistance and to enter into a lease agreement dated as of December 1, 2017 (the "Lease Agreement") between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the "Basic Documents"). Pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project Facility to the Company. The Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the "Closing"), (A) the Company will execute and deliver to the Agency (1) a certain lease to agency dated as of December 1, 2017 (the "Lease to Agency") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency the Company's leasehold interest in the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); and (2) a certain bill of sale dated as of December 1, 2017 (the "Bill of Sale to Agency"), which conveys to the Agency all right, title and interest of the Company in the Equipment, (B) the Company and the Agency will execute and deliver (1) a certain payment in lieu of tax agreement dated as of December 1, 2017 (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility, (2) a certain recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (C) the Agency and the Company will execute and deliver the uniform project benefits agreement dated as of December 1, 2017 (the "Uniform Project Benefits Agreement") by and between the Agency and the Company relating to the terms of the granting by the Agency of the Financial Assistance to the Company; (D) the Agency will file with the assessor and mail to the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Project Facility and the Payment in Lieu of Tax Agreement, (E) the Agency will execute and deliver to the Company a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance and (F) the Agency will file with the New York State Department of Taxation and

Finance the form entitled "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report"); and

WHEREAS, the Company may finance or refinance the Project with borrowed money, and in order to effectuate the construction and operation of the Project Facility, the Agency will agree, from time to time, to execute and deliver to the Company's lenders and other providers of financial accommodations with respect to the Project (collectively, the "Company Lenders") the following additional documents as such documents become necessary: (1) one or more mortgages and any other security instruments and related agreements and documents, which will grant in favor of the Company Lenders mortgages on and security interests in the Project Facility in order to secure one or more loans or other financial accommodations made by the Company Lenders to the Company with respect to the Project (collectively, the "Company Loans"); (2) any consents that may be required by the Company Lenders in connection with the Company Loans; and (3) any other agreements, instruments, and documents reasonably required by the Company Lenders in connection with the Company Loans (collectively, the "Company Loan Documents"); and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the "Real Property Tax Law"), the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, pursuant to the provisions of Section 6.6 of the Lease Agreement, the Company has agreed to make payments in lieu of taxes with respect to the Project Facility in an amount equivalent to normal taxes, provided that, so long as this Payment in Lieu of Tax Agreement shall be in effect, the Company shall during the term of this Payment in Lieu of Tax Agreement make payments in lieu of taxes in the amounts and in the manner provided in this Payment in Lieu of Tax Agreement, and during such period the provisions of Section 6.6 of the Lease Agreement shall not control the amounts due as payment in lieu of taxes with respect to that portion of the Project Facility which is covered by this Payment in Lieu of Tax Agreement; and

WHEREAS, all things necessary to constitute this Payment in Lieu of Tax Agreement a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Payment in Lieu of Tax Agreement have in all respects been duly authorized by the Agency and the Company;

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I

REPRESENTATIONS AND WARRANTIES

SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY. The Agency does hereby represent, warrant and covenant as follows:

(A) Power. The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State of New York to enter into the transactions contemplated by this Payment in Lieu of Tax Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement hereunder.

(B) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY. The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of New York, is duly authorized to do business in the State of New York and has the power under the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement, and by proper action of its members has been duly authorized to execute, deliver and perform this Payment in Lieu of Tax Agreement.

(B) Authorization. The Company is authorized and has the power under its articles of organization, operating agreement and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper action of its members, the Company has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Company is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by (and the execution, delivery and

performance of this Payment in Lieu of Tax Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Payment in Lieu of Tax Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its articles of organization or operating agreement or any other restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and neither the Company's entering into this Payment in Lieu of Tax Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) 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 of the foregoing, and this Payment in Lieu of Tax Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) Governmental Consent. No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Payment in Lieu of Tax Agreement by the Company or as a condition to the validity of this Payment in Lieu of Tax Agreement.

ARTICLE II

COVENANTS AND AGREEMENTS

SECTION 2.01. TAX-EXEMPT STATUS OF THE PROJECT FACILITY. (A) Assessment of the Project Facility. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of the Project Facility by the Agency and the filing by the Agency of a New York State Board of Real Property Services Form RP-412-a (a "Real Property Tax Exemption Form") with respect to the Project Facility, and for so long thereafter as the Agency shall own the Project Facility, the Project Facility shall be assessed by the various taxing entities having jurisdiction over the Project Facility, including, without limitation, any county, city, school district, town, village or other political unit or units wherein the Project Facility is located (such taxing entities being sometimes collectively hereinafter referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually hereinafter referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Agency of the leasehold interest to the Project Facility created by the Underlying Lease and the filing of the Real Property Tax Exemption Forms. The Company shall, promptly following acquisition by the Agency of the leasehold interest to the Project Facility created by the Underlying Lease, take such action as may be necessary to ensure that the Project Facility shall be assessed as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Agency, including ensuring that a Real Property Tax Exemption Form shall be filed with the appropriate officer or officers of each respective Taxing Entity responsible for assessing properties on behalf of each such Taxing Entity (each such officer being hereinafter referred to as an "Assessor"). For so long thereafter as the Agency shall own such leasehold interest in the Project Facility, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The parties hereto understand that the Project Facility shall not be entitled to such tax-exempt status on the tax rolls of any Taxing Entity until the first tax year of such Taxing Entity following the tax status date of such Taxing Entity occurring subsequent to the date upon which the Agency becomes the owner of record of such leasehold interest in the Project Facility and the Real Property Tax Exemption Forms are filed with the Assessors. Pursuant to the provisions of the Lease Agreement, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Project Facility, including taxes and assessments levied for the current tax year and all subsequent tax years until the Project Facility shall be entitled to exempt status on the tax rolls of the respective Taxing Entities. The Agency will cooperate with the Company to obtain and preserve the tax-exempt status of the Project Facility.

(B) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement, the Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.

SECTION 2.02. GUARANTEED PAYMENTS IN LIEU OF TAXES; OTHER PAYMENTS IN LIEU OF TAXES. (A) Agreement to Make Payments. The Company agrees that it shall make payments in lieu of property taxes in the amounts hereinafter provided to the respective Taxing Entities entitled to receive same pursuant to the provisions hereof. The payments due hereunder shall be paid by the Company to the each appropriate Taxing Entities entitled to receive same pursuant to the provisions hereof.

(B) Guaranteed Payments in Lieu of Taxes. (1) During the first fifteen years that payments in lieu of taxes are due pursuant to the terms of this Payment in Lieu of Tax Agreement, the Company agrees that it shall make annual guaranteed payments (each, a "Guaranteed Payment in Lieu of Taxes") to

the Taxing Entities pursuant to the terms of this Payment in Lieu of Tax Agreement, each such annual Guaranteed Payment in Lieu of Taxes to be in an amount equal to the product of (a) \$5,000.00 **per megawatt** of installed capacity of the solar generators which comprise a portion of the Project Facility (the "Solar Farm Facilities") times (b) the actual installed capacity of the Solar Farm Facilities, calculated on the third (3rd) business day prior to the date on the related payment is due pursuant to Section 2.02(B)(2); provided, that, the Guaranteed Payments in Lieu of Taxes to be paid by the Company pursuant to this Section 2.02(B) are to be adjusted for inflation per annum using the lesser of the following: (i) five percent (5%); or (ii) Bureau of Labor Statistics Consumer Price Index for the Northeast Region for the prior year (e.g., 2017 CPI to adjust the 2018 Guaranteed Payment in Lieu of Taxes).

(2) During the first fifteen years that payments in lieu of taxes are due pursuant to the terms of this Payment in Lieu of Tax Agreement, each annual Guaranteed Payment in Lieu of Taxes will be payable on January 1 of each year (commencing on January 1, 2019), subject to the thirty (30) day grace period described in Section 2.02(H) hereof, and shall upon receipt shall be distributed to the Taxing Entities in accordance with a formula based on the tax rates of the Taxing Entities in effect as of the date of execution of this Payment in Lieu of Tax Agreement.

(C) Other Payments in Lieu of Taxes. Following the first fifteen years that payments in lieu of taxes are due pursuant to the terms of this Payment in Lieu of Tax Agreement each annual payment in lieu of taxes to be paid by the Company to the Taxing Entity pursuant to the terms of this Payment in Lieu of Tax Agreement shall be in an amount equal to the amount which would be payable to such Taxing Entity with respect to the Project Facility if such Project Facility was owned by the Company and not the Agency, determined as follows: (1) multiply the Assessed Value of the Project Facility determined pursuant to Section 2.02(D) of this Payment in Lieu of Tax Agreement by (2) the tax rate or rates of such Taxing Entity that would be applicable to the Project Facility if the Project Facility was owned by the Company and not the Agency, and (3) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if the Project Facility was owned by the Company and not the Agency.

(D) Valuation of the Project Facility for Determining Other Payments in Lieu of Taxes. (1) For purposes of determining the amount of other payments in lieu of taxes due pursuant to Section 2.02(C) of this Payment in Lieu of Tax Agreement, the value of the Project Facility for purposes of determining such payments in lieu of taxes due hereunder (hereinafter referred to as the "Assessed Value") shall be determined by the appropriate Assessors. The Company agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The parties hereto agree that the Assessors shall (a) appraise the Project Facility in the same manner as other similar properties in the general area of the Project Facility, and (b) place an Assessed Value upon the Project Facility, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial determination of the Assessed Value of the Project Facility and of any change in the Assessed Value of the Project Facility.

(2) If the Company is dissatisfied with the amount of the Assessed Value of the Project Facility as initially established or with the amount of the Assessed Value of the Project Facility as changed, and if the Company shall have given written notice of such dissatisfaction to the appropriate Assessor and the Agency within thirty (30) days of receipt by the Company of written notice of the initial establishment of such Assessed Value of the Project Facility, or of a change in such Assessed Value of the Project Facility, then the Company shall be entitled to protest before, and to be heard by, the appropriate Assessor and the Agency. If the Agency, the Company and any Assessor shall fail to reach agreement as to the proper Assessed Value of the Project Facility for purposes of determining payments in lieu of taxes due under this Payment in Lieu of Tax Agreement, then such Assessor, the Company and the Agency shall each select one

arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall be a qualified real estate appraiser, experienced in valuation for the purposes of tax assessment in the general area of the Project Facility, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Assessed Value has been properly established by the Assessor. It is understood that the arbitrators are empowered to confirm the Assessed Value or to determine a lower Assessed Value. Any payments in lieu of taxes due upon the Project Facility pursuant to Section 2.02(C) hereof may not be withheld by the Company pending determination of the Assessed Value by the arbitrators.

(E) Additional Payments in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Project Facility or any portion thereof or any additional building or other structure shall be constructed on the Land, other than any structural addition, additional building or structure contemplated in the Plans and Specifications submitted in connection with the Application (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities") the Company agrees to make additional annual payments in lieu of property taxes with respect to such Additional Facilities (such additional payments being hereinafter collectively referred to as "Additional Payments") to the County Treasurer with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Additional Normal Tax") which would be payable to each Taxing Entity with respect to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency as follows: (a) multiply the Additional Assessed Value (as hereinafter defined) of such Additional Facilities determined pursuant to Section 2.02(F) of this Payment in Lieu of Tax Agreement by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and not the Agency.

(2) In each fiscal tax year during the term of this Payment in Lieu of Tax Agreement (commencing in the fiscal tax year when such Additional Facilities would first appear on the assessment roll of any Taxing Entity) if such Additional Facilities were owned by the Company and not the Agency, the amount payable by the Company to the County Treasurer on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to one hundred percent (100%) of the Additional Normal Tax due each Taxing Entity with respect to such Additional Facilities for such fiscal tax year (unless the Agency and the Company shall enter into a separate written agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written agreement shall control).

(F) Valuation of Additional Facilities for Determining Additional Payments in Lieu of Taxes.
(1) The value of any Additional Facilities for purposes of determining Additional Payments due pursuant to Section 2.02(E) of this Payment in Lieu of Tax Agreement shall be determined by the Assessors of each respective Taxing Entity. The parties hereto agree that the Assessors shall (a) appraise the Additional Facilities in the same manner as other similar properties in the general area of the Project Facility, and (b) place a value for assessment purposes (hereinafter referred to as the "Additional Assessed Value") upon the Additional Facilities, equalized if necessary by using the appropriate equalization rates as apply in the

assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Additional Assessed Value and of any change in such Additional Assessed Value.

(2) If the Company is dissatisfied with the amount of the Additional Assessed Value of the Additional Facilities as initially established or as changed, and if the Company shall have given written notice of such dissatisfaction to the appropriate Assessor and the Agency within thirty (30) days of receipt by the Company of written notice of the initial establishment of such Additional Assessed Value, or of a change in such Additional Assessed Value, then the Company shall be entitled to protest before, and to be heard by, the appropriate Assessor and the Agency. If the Agency, the Company and any Assessor shall fail to reach agreement as to the proper Additional Assessed Value of the Additional Facilities for purposes of determining payments in lieu of taxes due under this Payment in Lieu of Tax Agreement, then such Assessor, the Company and the Agency shall each select one arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall be a qualified real estate appraiser, experienced in valuation for the purposes of tax assessment in the general area of the Project Facility, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Additional Assessed Value of the Additional Facilities has been properly established by the Assessor. It is understood that the arbitrators are empowered to confirm the Additional Assessed Value or to determine a lower Additional Assessed Value. Any payments in lieu of taxes due upon such Additional Facilities pursuant to Section 2.02(E) hereof may not be withheld by the Company pending determination of the Additional Assessed Value by the arbitrators.

(G) Statements. Pursuant to Section 858(15) of the Act, the Agency agrees to give each Taxing Entity a copy of this Payment in Lieu of Tax Agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy hereof be given to the appropriate officer or officers of the respective Taxing Entities responsible for preparing the tax rolls for said Tax Entities (each, a "Tax Billing Officer") and a request that said Tax Billing Officers submit to the Company periodic statements specifying the amount and due date or dates of the payments due each Taxing Entity hereunder, such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such Taxing Entities.

(H) Time of Payments. The Company agrees to pay the amounts due under Section 2.02(B) hereof as Guaranteed Payments in Lieu of Taxes to the Taxing Entities within thirty (30) days of the date that such amounts are due. The Company agrees to pay the other amounts due as payments in lieu of taxes hereunder to each particular Taxing Entity in any fiscal tax year within the period that such Taxing Entity allows payment of taxes levied in such fiscal tax year without penalty. The Company shall be entitled to receive receipts for each such payment.

(I) Method of Payment. All payments by the Company hereunder shall be paid to the respective Taxing Entities in lawful money of the United States of America.

(J) Termination of the Lease Agreement. As provided in Section 12.8 of the Lease Agreement, the Company acknowledges that termination of the term of the Lease Agreement, either pursuant to the terms of Section 5.2, Article X or Article XI of the Lease Agreement, shall not relieve the Company of its obligation to make the Guaranteed Payments in Lieu of Taxes due pursuant to Section 2.02(B) of this Payment in Lieu of Tax Agreement or entitle the Company to a discharge of the PILOT Mortgage prior to the payment in full of all such Guaranteed Payments in Lieu of Taxes and all other amounts due and payable pursuant to this Payment in Lieu of Tax Agreement, any host community agreement and the PILOT Mortgage.

SECTION 2.03. CREDIT FOR TAXES PAID. (A) Amount of Credit. The parties hereto acknowledge and agree that the obligation of the Company to make the payments provided in Section 2.02 of this Payment in Lieu of Tax Agreement shall be in addition to any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under the Lease Agreement. It is understood and agreed, however, that, should the Company pay in any fiscal tax year to any Taxing Entity any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Project Facility or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, (1) sales and use taxes, and (2) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including but not limited to water, solid waste, sewage treatment or sewer or other rents, rates or charges), then the Company's obligation to make payments in lieu of property taxes attributed to such fiscal tax year to such Taxing Entity hereunder shall be reduced by the amounts which the Company shall have so paid to such Taxing Entity in such fiscal tax year, but there shall be no cumulative or retroactive credit as to any payment in lieu of property taxes due to any other Taxing Entity or as to any payment in lieu of property taxes due to such Taxing Entity in any other fiscal tax year.

(B) Method of Claiming Credits. If the Company desires to claim a credit against any particular payment in lieu of tax due hereunder, the Company shall give the governing body of the affected Taxing Entity and the Agency prior written notice of its intention to claim any credit pursuant to the provision of this Section 2.03, said notice to be given by the Company at least thirty (30) days prior to the date on which such payment in lieu of tax is due pursuant to the provisions of Section 2.02(H) hereof. In the event that the governing body of the appropriate Taxing Entity desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall meet the qualifications set forth in Section 2.02(B) hereof, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.03 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit. When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the extent of the credit claimed by the Company, but only to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.03) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable and shall be paid by the Company within thirty (30) days of said decision.

SECTION 2.04. LATE PAYMENTS. (A) First Month. Pursuant to Section 874(5) of the Act, if the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due, the Company shall pay the same, together with a late payment penalty equal to five percent (5%) of the amount due.

(B) Thereafter. If the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the affected Taxing Entity until such payment in default shall have been made in full, and the Company shall pay the same to the affected Taxing Entity together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the greater of (a) one percent (1%)

per month, or (b) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full.

SECTION 2.05. NATURE OF THE OBLIGATIONS OF THE COMPANY HEREUNDER. (A) The obligations of the Company to make the payments required by this Payment in Lieu of Tax Agreement and to perform and observe any and all of the other covenants and agreements on its part contained herein shall be general obligations of the Company and shall be absolute and unconditional irrespective of any defense or any right of set-off, recoupment, counterclaim or abatement that the Company may otherwise have against the Agency or any Taxing Entity.

(B) The Company agrees that it will not suspend, discontinue or abate any payment required by, or fail to observe any of its other covenants or agreements contained in, this Payment in Lieu of Tax Agreement, or terminate this Payment in Lieu of Tax Agreement for any cause whatsoever, including, without limiting the generality of the foregoing, (1) failure to complete the Project Facility, (2) any defect in the title, design, operation, merchantability, fitness or condition of the Project Facility or any part thereof or in the suitability of the Project Facility or any part thereof for the Company's purposes or needs, (3) failure of consideration for, destruction of or damage to, Condemnation of title to or the use of all or any part of the Project Facility, (4) any change in the tax or other laws of the United States of America or of the State or any political subdivision thereof, (5) any failure of the Agency or any Taxing Entity to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or in connection with this Payment in Lieu of Tax Agreement or any other Basic Document, or (6) any conveyance or reconveyance of the Project Facility pursuant to the Lease Agreement.

ARTICLE III

LIMITED OBLIGATION

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE AGENCY. (A) No Recourse. All obligations, covenants, and agreements of the Agency contained in this Payment in Lieu of Tax Agreement shall be deemed to be the obligations, covenants, and agreements of the Agency and not of any member, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Payment in Lieu of Tax Agreement, or otherwise based upon or in respect of this Payment in Lieu of Tax Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Payment in Lieu of Tax Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement, it being expressly understood that this Payment in Lieu of Tax Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Payment in Lieu of Tax Agreement by the Agency.

(B) Limited Obligation. The obligations, covenants and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or County of Cattaraugus, New York, and neither the State of New York nor County of Cattaraugus, New York shall be liable thereon, and further such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility (except for revenues derived by the Agency with respect to the Unassigned Rights, as defined in the Lease Agreement).

(C) Further Limitation. Notwithstanding any provision of this Payment in Lieu of Tax Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity and an agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV

EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events shall constitute an event of default under this Payment in Lieu of Tax Agreement, and the terms "Event of Default" or "default" shall mean, whenever they are used in this Payment in Lieu of Tax Agreement, any one or more of the following events:

(A) Failure of the Company to pay when due any amount due and payable by the Company pursuant to this Payment in Lieu of Tax Agreement and continuance of said failure for a period of thirty (30) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of sixty (60) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such sixty (60) day period and if the Company shall have commenced action to cure the breach of covenant, condition or agreement within said sixty (60) day period and thereafter diligently and expeditiously proceeds to cure the same, such sixty (60) day period shall be extended for so long as the Company shall require in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days in the aggregate from the date of default; or

(C) Any material warranty, representation or other statement by or on behalf of the Company contained in this Payment in Lieu of Tax Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Payment in Lieu of Tax Agreement and (1) shall be materially adverse to the Agency at the time when the notice referred to below shall have been given to the Company and (2) if curable, shall not have been cured within sixty (60) days after written notice of such incorrectness shall have been given to a responsible officer of the Company, provided that if such incorrectness cannot reasonably be cured within said thirty-day period and the Company shall have commenced action to cure the incorrectness within said thirty-day period and, thereafter, diligently and expeditiously proceeds to cure the same, such thirty-day period shall be extended for so long as the Company shall require, in the exercise of due diligence, to cure such default.

SECTION 4.02. REMEDIES ON DEFAULT. (A) General. Whenever any Event of Default shall have occurred with respect to this Payment in Lieu of Tax Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Event of Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Payment in Lieu of Tax Agreement.

(B) Cross-Default. In addition, an Event of Default hereunder shall constitute an event of default under Article X of the Lease Agreement. Upon the occurrence of an Event of Default hereunder resulting from a failure of the Company to make any payment required hereunder, the Agency shall have, as a remedy therefor under the Lease Agreement, among other remedies, the right to terminate the Lease Agreement and convey the Project Facility to the Company, thus subjecting the Project Facility to immediate full taxation pursuant to Section 520 of the Real Property Tax Law of the State.

(C) Separate Suits. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises.

(D) Venue. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Payment in Lieu of Tax Agreement may be brought in the courts of record of the State, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

(E) Company Lender's Cure Rights. Notwithstanding anything herein to the contrary, so long as any Company Loan remain outstanding and provided that the Agency shall have been provided notice of such Company Loan, if a default or Event of Default has occurred and is continuing the Agency shall, then, with respect to such default or Event of Default, before terminating this Payment in Lieu of Tax Agreement or exercising any other remedy set forth herein, give written notice to the Lender specifying the default. The Company Lender shall have (i) with respect to any such default or Event of Default which is capable of being cured by the payment of money (including accrued penalties and interest due), thirty (30) days after the receipt of such notice to cure or cause to be cured such default or Event of Default, and (ii) with respect to any default or Event of Default which is not capable of being cured by the payment of money, sixty (60) days after the receipt of such notice to cure or cause to be cured such default or Event of Default; provided, however, that if such default or Event of Default is capable of being cured but cannot be cured with such sixty (60) day period, the Company Lender's cure period shall be extended if the Company Lender has instituted corrective action within such sixty (60) day period and thereafter prosecutes the same with due diligence. If the Company Lender fails to cure, or cause to be cured, any default or Event of Default within the applicable cure period set forth above, the Agency shall be free to pursue any and all rights and remedies with respect to such default or Event of Default as set forth in this Payment in Lieu of Tax Agreement.

(F) No Acceleration. Notwithstanding anything to the contrary contained in this Payment in Lieu of Tax Agreement or the other Basic Documents, upon the occurrence and during the occurrence of any Event of Default, the Agency shall not have the right to accelerate unpaid Guaranteed Payments in Lieu of Taxes not yet due and payable.

SECTION 4.03. PAYMENT OF ATTORNEY'S FEES AND EXPENSES. Pursuant to Section 874(6) of the Act, if the Company should default in performing any of its obligations, covenants or agreements under this Payment in Lieu of Tax Agreement and the Agency or any Taxing Entity should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Taxing Entity, as the case may be, not only the amounts adjudicated due hereunder, together with the late payment penalty and interest due thereon, but also the reasonable fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred, whether or not an action is commenced.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE. (A) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency or any Taxing Entity is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Payment in Lieu of Tax Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay. No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed

to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required. In order to entitle the Agency or any Taxing Entity to exercise any remedy reserved to it in this Payment in Lieu of Tax Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Payment in Lieu of Tax Agreement.

(D) No Waiver. In the event any provision contained in this Payment in Lieu of Tax Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Payment in Lieu of Tax Agreement shall be established by conduct, custom or course of dealing.

ARTICLE V

MISCELLANEOUS

SECTION 5.01. TERM. (A) General. This Payment in Lieu of Tax Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Payment in Lieu of Tax Agreement by resolution of the Agency and the execution and delivery of this Payment in Lieu of Tax Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Payment in Lieu of Tax Agreement shall continue to remain in effect for a term of fifteen (15) years (the "Guaranteed Term" ending on the date that all Guaranteed Payments in Lieu of Taxes due pursuant to Section 2.02(B) hereof are paid). On the date that the final Guaranteed Payment in Lieu of Taxes is paid by the Company, the Guaranteed Term shall end, and, upon termination of the Guaranteed Term and the recordation in the office of the County Clerk of Cattaraugus County, New York, of documents evidencing the reconveyance by the Agency to the Company of the Agency's interest in the Project Facility, this Payment in Lieu of Tax Agreement shall be terminated, unless (1) otherwise provided by amendment hereof, or (2) on the date that such final Guaranteed Payment in Lieu of Taxes is paid by the Company, the Project Facility shall not have been reconveyed by the Agency to the Company pursuant to Article VII of the Lease Agreement, in which case this Payment in Lieu of Tax Agreement shall continue to remain in effect for an additional term (the "Term") ending on the date on which the Project Facility is reconveyed by the Agency to the Company pursuant to Article X or XI of the Lease Agreement.

(B) Extended Term. In the event that (1) the Project Facility shall be reconveyed to the Company, (2) on the date on which the Company obtains the Agency's interest in the Project Facility, the Project Facility shall be assessed as exempt upon the assessment roll of any one or more of the Taxing Entities, and (3) the fact of obtaining title to the Agency's interest in the Project Facility shall not immediately obligate the Company to make pro-rata tax payments pursuant to legislation similar to Chapter 635 of the 1978 Laws of the State (codified as subsection 3 of Section 302 of the Real Property Tax Law and Section 520 of the Real Property Tax Law), this Payment in Lieu of Tax Agreement shall remain in full force and effect and the Company shall be obligated to make payments to the Receiver of Taxes in amounts equal to those amounts which would be due from the Company to the respective Taxing Entities if the Project Facility were owned by the Company and not the Agency until the first tax year in which the Company shall appear on the tax rolls of the various Taxing Entities having jurisdiction over the Project Facility as the legal owner of record of the Project Facility.

(C) Termination of the Lease Agreement. As provided in Section 12.8 of the Lease Agreement, the Company acknowledges that termination of the term of the Lease Agreement, either pursuant to the terms of Section 5.2, Article X or Article XI of the Lease Agreement, shall not relieve the Company of its obligation to make the Guaranteed Payments in Lieu of Taxes due pursuant to Section 2.02(B) of this Payment in Lieu of Tax Agreement, nor entitle the Company to a discharge of the PILOT Mortgage prior to the payment in full of all such Guaranteed Payments in Lieu of Taxes and all other amounts due and payable pursuant to this Payment in Lieu of Tax Agreement, any host community agreement and the PILOT Mortgage.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Payment in Lieu of Tax Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. COMPANY ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENTS. This Payment in Lieu of Tax Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

SECTION 5.05. NOTICES. (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) delivered in person or by courier to the applicable address stated below, (2) when received by telecopy or (3) three business days after deposit in the United States, by United States mail (registered or certified mail, postage prepaid, return receipt requested, property addressed), or (4) when delivered by such other means as shall provide the sender with documentary evidence of such delivery, or when delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) Notices Given by Taxing Entities. Notwithstanding the foregoing, notices of assessment or reassessment of the Project Facility and other notices given by a Taxing Entity under Article II hereof shall be sufficiently given and shall be deemed given when given by the Taxing Entity in the same manner in which similar notices are given to owners of taxable properties by such Taxing Entity.

(C) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

1406RB PV LLC
311 N. Bayshore Drive
Safety Harbor, Florida 34695
Attention: Clay M. Biddinger

WITH A COPY TO:

Phillips Lytle LLP
340 Madison Avenue, 17th Floor
New York, New York 10173-1922
Attention: Milan Tyler, Esq.

IF TO THE AGENCY:

County of Cattaraugus Industrial Development Agency
9 East Washington Street
Ellicottville, New York 14731
Attention: Chairman

WITH A COPY TO:

Hodgson Russ LLP
677 Broadway, Suite 301
Albany, New York 12207
Attention: George W. Cregg, Jr., Esq.

(D) Copies. A copy of any notice given hereunder by the Company which affects in any way a Taxing Entity shall also be given to the chief executive officer of such Taxing Entity.

(E) Change of Address. The Agency and the Company may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

(F) So long as any Company Loan remains outstanding, a duplicate copy of each notice, certificate, and other communication given hereunder shall be given to the Company Lender at the address for the Company Lender provided by the Company in writing at the closing of the Company Loan.

(G) The Company shall provide written notice to the Agency of the identity and address of the Company Lender, if any. Upon the occurrence of the change in the identity or address of a Company Lender, if any, the Company shall promptly provide written notice of such change to the Agency.

SECTION 5.06. BINDING EFFECT. This Payment in Lieu of Tax Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Payment in Lieu of Tax Agreement are intended to be for the benefit of the Agency and the respective Taxing Entities.

SECTION 5.07. SEVERABILITY. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Payment in Lieu of Tax Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Payment in Lieu of Tax Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 5.08. COUNTERPARTS. This Payment in Lieu of Tax Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5.09. APPLICABLE LAW. This Payment in Lieu of Tax Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF CATTARAUGUS INDUSTRIAL
DEVELOPMENT AGENCY

BY: Th E Buffante
(Vice) Chairman

1406RB PV LLC, a New York limited liability company
By: TK NYS Solar Holdco, LLC, its sole member


By: _____
Name: Jerry Polacek
Title: Authorized Signatory

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF CATTARAUGUS INDUSTRIAL
DEVELOPMENT AGENCY

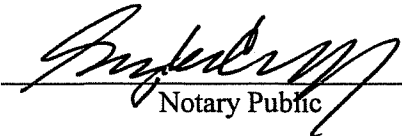
BY: _____
(Vice) Chairman

1406RB PV LLC, a New York limited liability company
By: TK NYS Solar Holdco, LLC, its sole member

By:  _____
Name: Jerry Polacek
Title: Authorized Signatory

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

On the 5th day of November, in the year 2017, before me, the undersigned, personally appeared THOMAS E. BUFFAMANTE, 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

George W. Cregg, Jr.
Notary Public, State of New York
Qualified in Albany County
No. 5855001
Commission Expires November 30, 2018

STATE OF New York)
COUNTY OF New York)ss:
)

On the 7 day of December, in the year 2017, before me, the undersigned, personally appeared JERRY POLACEK 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

NATOYA DUNCAN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01DU6123076
Qualified in Bronx County
My Commission Expires February 28, 2021

EXHIBIT A

DESCRIPTION OF THE LEASED LAND

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Olean, County of Cattaraugus, and State of New York being more particularly bounded and described as follows:

Commencing at the southwest corner of Lot 4, Section 5, Town 2, Range 4 of the Holland Land Company Survey: thence North 89 deg. 47 min. 34 sec. East, along the south line of said Lot 4, 54.86 feet to its intersection with the division line between the lands now or formerly of Niagara Mohawk Power Corporation as described in Liber 575 of Deeds at Page 35 on the southwest and the lands of Olean Gateway, LLC as described in Instrument Number 208402-004 on the northeast and the POINT OF BEGINNING of the hereinafter described parcel;

Thence along said division line the following four (4) courses and distances:

- 1) North 43 deg. 23 min. 38 sec. West, 80.16 feet to a point; thence
- 2) North 43 deg. 23 min. 38 sec. West, 151.64 feet to a point; thence
- 3) North 57 deg. 49 min. 20 sec. East, 20.01 feet to a point; and
- 4) North 32 deg. 11 min. 48 sec. West, 28.91 feet to the intersection of the division line between the said lands of Olean Gateway, LLC as described in Instrument Number 208402-004, proposed Parcel 4 generally on the south and proposed Parcel 5 generally on the north;

Thence through lands of Olean Gateway, LLC, along said division line the following three (3) courses and distances:

- 1) North 90 deg. 00 min. 00 sec. East, 1050.97 feet to a point; thence
- 2) North 00 deg. 00 min. 00 sec. West, 306.16 feet to a point; and
- 3) North 90 deg. 00 min. 00 sec. East, 515.11 feet to its intersection with the division line between the said lands of Clean Gateway, LLC as described in Instrument Number 208402-004, Parcel 4 generally on the southwest and Parcel 5 generally on the northwest and the lands now or formerly of Southern Tier Rail Authority generally on the east;

Thence along the division line between the said lands of Olean Gateway, LLC as described in Instrument Number 208402-004, Parcel 4 generally on the southwest and the lands now or formerly of Southern Tier Rail Authority generally on the east the following two (2) courses and distances:

- 1) South 32 deg. 18 min. 55 sec. East, 107.23' to a point; and
- 2) South 15 deg. 53 min. 06 sec. East, 429.78' to its intersection with the division line between the lands of Olean Gateway, LLC as described in Instrument Number 208402-004, proposed Parcel 4 generally on the north and the lands now or formerly of Dresser Rand Company as described in Liber 869 of Deeds at Page 644 on the south, said point being located 1,638.18 feet easterly of the southwest corner of Lot 4, Section 5, Town 2, Range 4 of the Holland Land Company's Survey;

Thence along said division line in part by a property line agreement in Liber 691 of Deeds at Page 256 and in part by the south line of Lot 4 the following three (3) courses and distances:

- 1) South 89 deg. 51 min. 35 sec. West, 1251.59 feet to a point; thence
- 2) South 00 deg. 12 min. 26 sec. East, 1.47 feet to the south line of Lot 4 and
- 3) South 89 deg. 47 min. 34 sec. West, 331.73 feet to the point and place of beginning, containing 11.690 acres of land more or less.

The above-described premises is also identified as Portion Parcel 4 (first parcel) on a Map filed in the Cattaraugus County Clerk's Office on July 30, 2015 as Instrument No. 241195-001.

ALSO ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Olean, County of Cattaraugus, and State of New York being more particularly bounded and described as follows:

COMMENCING at the point of intersection with the division line between the lands of Olean Gateway, LLC generally on the north and the lands now or formerly of Dresser Rand Company as described in Liber 859 of Deeds at Page 64-4 on the south, said point being located 1,638.18 easterly of the southwest corner of Lot 4, Section 5, Town 2, Range 4 of the Holland Land Company Survey;

Thence along the division line between the said lands of Olean Gateway, LLC as described in Instrument Number 208402-004, Parcel 4 generally on the west and the lands now or formerly of Southern Tier Rail Authority generally on the east the following two (2) courses and distances:

- 1) North 15 deg. 53 min. 06 sec. West, 429.78 feet to a point; thence
- 2) North 32 deg. 18 min. 55 sec. West, 107.23 feet to its intersection with the division line between the said lands of Olean Gateway, LLC as described in Instrument Number 208402-004, Parcel 4 generally on the southwest and Parcel 5 on the northwest and lands now or formerly of Southern Tier Rail Authority generally on the east and the POINT OF BEGINNING of the hereinafter described parcel;

Thence through lands of Olean Gateway, LLC along said division line between Parcel 4 generally on the south and Parcel 5 generally on the north the following three (3) courses and distances:

- 1) South 90 deg. 00 min. 00 sec. West, 515.11 feet to a point; thence
- 2) South 00 deg. 00 min. CC sec. East, 306.16 feet to a point; and
- 3) South 90 deg. 00 min. 00 sec. West, 1050.97 feet to the intersection of proposed division line between said lands of Olean Gateway, LLC as described in Instrument Number 208402-004, Parcel 4 generally on the southeast and Parcel 5 generally on the northeast and lands now or formerly of Niagara Mohawk Power Corporation as described in Liber 575 of Deeds at Page 35 generally on the west; thence along said division line between said lands of Olean Gateway, LLC as described in Instrument Number 205402-004, Parcel 5 generally on the east and lands now or formerly of Niagara Mohawk Power Corporation as described in Liber 575 of Deeds at Page 35 generally on the west North 32 deg. 11 min. 48 sec. West, 37.09 feet to its intersection with the division line between the said lands of Olean Gateway, LLC as described in Instrument Number 205402-004, Parcel 5 generally on the south and the lands now or formerly of Southern Tier Rail Authority generally on the north and east;

Thence along the last described division line the following seven (6) courses and distances:

- 1) North 57 deg. 07 min. 36 sec. East, 949.55 feet to a point; thence
- 2) North 56 deg. 38 min. 40 sec. East, 104.31 feet to a point; thence
- 3) South 32 deg. 56 min. 26 sec. East, 11.00 feet to a point; thence
- 4) North 57 deg. 03 min. 34 sec. East, 37.99 feet to a point; thence
- 5) along an arc of a curve to the right having a radius of 673.35 feet length of 606.77 feet and chord of South 74 deg. 41 min. 04 sec. East 586.45 feet to a point; thence
- 6) South 32 deg. 18 min. 55 sec. East, 182.82 feet to the point and place of beginning containing 11.798 acres of land more or less.

The above-described premises is also identified as Parcel 5 on a Map filed in the Cattaraugus County Clerk's Office on July 30, 2015 as Instrument No. 241195-001

TOGETHER WITH the non-exclusive right of ingress and egress over the Access Road leading to Buffalo Street, being described in the Joint Driveway Agreement contained in Covenant vs. Grantor Deed made by Agway, Inc. to Felmont Oil Corporation, recorded on June 25, 1971 in Liber 720 of Deeds at page 1061.

ALSO TOGETHER WITH the non-exclusive right of ingress and egress over the Access Road crossing the lands now or formerly owned by the Niagara Mohawk Power Corporation, as established by Warranty Deed made by Felmont Oil Corporation to Niagara Mohawk Power Corporation, recorded on April 18, 1975 in Liber 757 of Deeds at page 35.