

## AGENT AND FINANCIAL ASSISTANCE AGREEMENT

THIS AGENT AND FINANCIAL ASSISTANCE AGREEMENT (herein, the "Agreement"), is made as of February 25, 2016, by and between the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY**, a public benefit corporation of the State of New York, having its offices at 433 River Street, 5th Floor, Troy, New York 12180 (the "Authority"), and **599 RIVER STREET LIMITED PARTNERSHIP**, a New York limited partnership having an address of 744 Broadway, Albany, New York 12207 (the "Company").

### WITNESSETH:

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York (the "State"), as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the Authority was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Company has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold interest in a certain parcel of real property located at 599 River Street, Troy, New York 12180 (the "Land", being comprised of approximately .76 of an acre of real property and identified as TMID No. 101.22-1-4) and the existing improvements located thereon, including the 7-story commercial structure and related improvements located thereon (the "Existing Improvements"); (B) the renovation, reconstruction, refurbishing and equipping by the Company as agent of the Authority of the Existing Improvements to provide for Sixty-Seven (67) residential apartment units, comprised of Thirty Four (34) one-bedroom apartment units, and Thirty Three (33) two-bedroom apartment units, approximately 90% of which that, in accordance with the Internal Revenue Code of 1986, as amended (the "Code") and applicable regulations promulgated by the United States Department of Housing and Urban Development ("HUD") and New York State Housing Finance Agency ("HFA") and/or Division of Housing and Community Renewal ("DHCR"), will be leased to households satisfying applicable median gross income restrictions, along with renovations to building structure, common areas, kitchen areas, laundry areas, heating systems, plumbing, roofs, elevators, windows, and other onsite and offsite parking, curbage and infrastructure improvements (collectively, the "Improvements"); (C) the acquisition of and installation in and around the Land, Existing Improvements and Improvements of certain machinery, fixtures, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (D) the lease of the Authority's interest in the Facility back to the Company; and

WHEREAS, by Resolution dated October 9, 2015 (the "Authority Resolution"), the Authority authorized the undertaking of the Project and appointed the Company to act as its agent for the purposes of acquiring, constructing and/or equipping the Facility, all subject to the Company entering into this Agreement; and

WHEREAS, pursuant to the Authority Resolution, the Authority authorized the provision to the Company of certain benefits, exemptions and other financial assistance (the "Financial Assistance") consisting of (i) state and local sales and use tax exemptions on the acquiring, constructing and/or equipping of the Facility, (ii) mortgage recording tax exemption(s) for financings undertaken by the Company in connection with the construction and equipping of the Facility; and (iii) a real property tax abatement through a certain Payment in Lieu of Taxes Agreement, dated as of the date hereof and entered into by the Authority and the Company (the "PILOT Agreement"); and

WHEREAS, pursuant to the Authority Resolution, the Authority authorized the Company to act as its agent for the purposes of undertaking the Project subject to the Company entering into this Agent Agreement and, pursuant to the Authority Resolution and this Agent Agreement, the Company shall have the power to delegate such agency, in whole or in part, to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents and to such other parties as the Company chooses including but not limited to the individuals and entities described on Schedule A attached hereto (and the Company shall have the right to amend Schedule A from time to time and shall be responsible for maintaining an accurate list of all parties acting as agent for the Authority); and

WHEREAS, the Authority requires, as a condition and as an inducement for it to provide the Financial Assistance and the Authority's execution and delivery of a certain Leaseback Agreement, dated as of the date hereof (the "Leaseback Agreement"), that the Company provide assurances with respect to the recapture of the Financial Assistance on the terms herein set forth; and

WHEREAS, the Authority desires to memorialize the appointment of the Company as agent of the Authority to undertake the Project pursuant and subject to the terms herein contained.

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

1. Scope of Agency. The Authority hereby confirms its appointment of the Company as the true and lawful agent of the Authority to undertake the Project pursuant to the Resolution. The Company hereby agrees to limit its activities as Agent for the Authority under the authority of the Resolution to acts reasonably related to the acquisition, construction and equipping of the Facility. The right of the Company to act as Agent of the Authority shall expire on **April 30, 2017**, unless extended pursuant to authorization by the Executive Director of the Authority upon written request at least thirty (30) days prior to such expiration date. The aggregate amount of work performed as Agent for the Authority shall not exceed the amounts identified in the Resolution and Section 2(i) of this Agreement. The Authority agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Authority upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Authority authorizes and conducts any supplemental public hearing(s).

All contracts entered into by the Company as Agent for the Authority shall include the following language:

This contract is being entered into by **599 RIVER STREET LIMITED PARTNERSHIP** (the "Agent"), as agent for and on behalf of the Troy Industrial Development Authority (the "Authority"), in connection with portions of a certain project of the Authority for the Agent located at 599 River Street, Troy, New York. The labor, materials and consumables to be utilized in furtherance of the foregoing shall be exempt from the sales and use taxes levied by the State of New York if the acquisition thereof is effected in accordance with the terms and conditions set forth in the attached sales tax exemption letter of the Authority; and the Agent hereby represents that this contract is in compliance with the terms of the sales tax exemption letter and with the terms of the Agent Agreement by and between the Agent and the Authority, dated as of February 25, 2016. This contract is non-recourse to the Authority, and the Authority shall not be directly, indirectly or contingently liable or obligated hereunder in any manner or to any extent whatsoever, nor shall the Authority be liable for payment upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder. By execution or acceptance of this contract, the vendor/contractor hereby acknowledges and agrees to the terms and conditions set forth in this paragraph.

2. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Authority to proceed with the Project and appoint the Company as agent to undertake same:

(a) The Company (i) is a domestic limited partnership duly organized, validly existing and in good standing under the laws of the State of New York, (ii) has the authority to enter into this Agreement and (iii) has duly authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

(c) The providing of the Facility by the Authority and the leasing thereof by the Authority to the Company (and sublease thereof by the Company) will not result in the removal of an industrial or manufacturing plant, facility or other commercial activity of the Company from one area of the State to another area of the State nor result in the abandonment of one or more commercial or manufacturing plants or facilities of the Company located within the State; and the Authority has found that, based on the Application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is

reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

(d) The Facility and the operation thereof will conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Facility, and the Company shall defend, indemnify and hold the Authority harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection (d). The Company shall operate the Facility in accordance with this Agreement and as a qualified "project" under the Act.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, to which the Company is a party, and in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.

(f) The Company covenants that the Facility will comply in all respects with all environmental laws and regulations, and, except in compliance with environmental laws and regulations, (i) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist on the Facility except in compliance with all material applicable laws, (ii) the Company will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances onto the Facility or onto any other property, (iii) that no asbestos will be incorporated into or disposed of on the Facility, (iv) that no underground storage tanks will be located on the Facility, and (v) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Company, upon receiving any information or notice contrary to the representations contained in this Section, shall immediately notify the Authority in writing with full details regarding the same. The Company hereby releases the Authority from liability with respect to, and agrees to defend, indemnify, and hold harmless the Authority, its executive director, directors, members, officers, employees, agents (other than the Company), representatives, successors, and assigns from and against any and all actual claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorneys' fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section. In the event the Authority in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Facility, the Company agrees to pay the expenses of same to the Authority upon demand, and agrees that upon failure to do so, its obligation for such expenses shall be deemed to be additional rent. The Company hereby agrees that at all times during which it is operating the Project, and whether or not this Leaseback Agreement is in effect, to comply with, and ensure compliance by its subtenants or sublessees with, the provisions of the Environmental Compliance and Indemnification Agreement, dated on or about the date hereof (the "Environmental Compliance Agreement").

(g) The Company has provided to the Authority a certificate or certificates of insurance containing all of the insurance provision requirements included herein and the Leaseback Agreement. If the insurance is canceled for any reason whatsoever, or the same is

allowed to lapse or expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to any mortgagee, loss payee or additional insured until at least thirty (30) days after receipt by such party of written notice by the insurer of such cancellation, lapse, expiration, reduction or change.

(h) Any personal property acquired by the Company in the name of the Authority shall be located in the City of Troy, New York, except for temporary periods during ordinary use.

(i) In accordance with Section 1963-b of the Public Authorities Law, the policies of the Authority, and the Authority Resolution, the Company covenants and agrees that it may be subject to a Recapture Event Determination resulting in the potential recapture of any and all New York State and local sales and use tax exemption benefits and PILOT Agreement benefits, as described below, if the Company receives, or its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project receives, any New York State and local sales and use tax exemption benefits from the Authority, and it is determined by the Authority that:

(1) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project is not entitled to the sales and use tax exemption benefits; or

(2) the sales and use tax exemption benefits are in excess of the amounts authorized by the Authority to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; or

(3) the sales and use tax exemption benefits are for property or services not authorized by the Authority as part of the Project; or

(4) the Company has made a material false or misleading statement, or omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, on its application for financial assistance; or

(5) the Company fails to meet and maintain the thresholds and requirements as described below, as evidenced by submission, on an annual basis beginning in the first year in which the Financial Assistance is conferred by the Authority to the Company or any subagent thereof, through and until the termination of the PILOT Agreement, as so required by the Authority, of written confirmation certifying:

(a) that the total investment actually made with respect to the Project at the time of Project completion equals or exceeds the total project cost as stated in the Company's application for financial assistance;

(b) that there are and remain a minimum number of full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s application for financial assistance; and

(c) that no Event of Default has occurred under the Leaseback Agreement and PILOT Agreement, each dated as of the date hereof.

The findings made by the Authority with respect to Section 2(i)(1), (2), (3) and/or (4) and/or failure to provide the written confirmation as required by Section 2(i)(5) with respect to the thresholds and requirements as identified Section 2(i)(5), above, and/or failure to meet such thresholds and requirements may potentially be determined by the Authority, allowing for proper notice, hearing, and the completion of any appeals process, if any, related thereto, to constitute a failure to comply with Section 1963-b of the Public Authorities Law, and/or a failure to comply with a material term or condition to use property or services or Authority financial assistance in the manner approved by the Authority in connection with the Project, and/or a failure to comply with the Authority’s policies and Resolution (collectively, findings and determinations made as described herein with respect to Section 2(i)(1), (2), (3) and/or (4) and/or the failure under Section 2(i)(5) to submit the required certification and/or the failure to meet the required thresholds and requirements as specified in Section 2(i)(5) are hereby defined as a “Recapture Event Determination”). If the Authority makes a Recapture Event Determination, the Company agrees and covenants that it will (i) cooperate with the Authority in its efforts to recover or recapture any and all sales and use tax exemption benefits and/or any and PILOT benefits obtained by the Company and (ii) promptly pay over any such amounts to the Authority that the Authority demands in connection therewith. The Company further understands and agrees that in the event that the Company fails to pay over such amounts to the Authority, the New York State Tax Commissioner may assess and determine New York State and/or local sales and use taxes due from the Company, together with any relevant penalties and interest due on such amounts.

(j) In accordance with the Resolution, the Company further covenants that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in an amount up to \$6,867,500.00, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Authority, subject to Section 2(i) of this Agreement, cannot exceed \$549,400.00.

(k) The Company acknowledges and understands that a Recapture Event Determination made with respect to this Agreement will, in addition, immediately result in the loss and forfeiture of the Company’s right and ability to obtain any and all future state and local sales and use tax exemptions, mortgage recording tax exemptions, and/or real property tax abatements with respect to the Project, and may result, in the sole discretion of the Authority, of loss and forfeiture of same with respect to a Recapture Event Determination made regarding this Agreement.

(l) The Company further covenants and agrees to complete “IDA Appointment of Project Operator or Agent For Sales Tax Purposes” (NYS Form ST-60), in the form attached hereto as Exhibit A, for each agent, subagent, contractor, subcontractor, if any, contractors or

subcontractors of such agents and subagents, if any, and such other parties as the Company chooses who provide materials, equipment, supplies or services and forward said form to the State Department of Taxation and Finance within thirty (30) days of appointment

(m) The Company further covenants and agrees to file an annual statement with the State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (NYS Form ST-340) regarding the value of sales and use tax exemptions the Company, its agents, subagents, consultants or subcontractors have claimed pursuant to the agency conferred on the Company with respect to the Project in accordance with the Public Authorities Law and General Municipal Law. The Company further covenants and agrees that it will, within thirty (30) days of each filing, provide a copy of same to the Authority; provided, however, in no event later than February 15<sup>th</sup> of each year. The Company understands and agrees that the failure to file such annual statement will result in the removal of the Company's authority to act as agent for the Authority.

(n) The Company acknowledges and agrees that all purchases made in furtherance of the Project shall be made using "IDA Agent or Project Operator Exempt Purchase Certificate" (NYS Form ST-123, a copy of which is attached hereto as Exhibit B, and it shall be the responsibility of the Company (and not the Authority) to complete NYS Form ST-123. The Company acknowledges and agrees that it shall identify the Project on each bill and invoice for such purchases and further indicate on such bills or invoices that the Company is making purchases of tangible personal property or services for use in the Project as agent of the Authority. For purposes of indicating who the purchaser is, the Company acknowledges and agrees that the bill of invoice should state, "'I, [NAME OF AGENT/SUBAGENT], certify that I am a duly appointed agent of the Troy Industrial Development Authority and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agent agreement with the Troy Industrial Development Authority.'" The Company further acknowledges and agrees that the following information shall be used by the Company to identify the Project on each bill and invoice: "the name of the Project, the street address of the Project site, and IDA project number."

3. Hold Harmless Provision. The Company hereby releases the Authority from, and agree that the Authority shall not be liable for, and agree to indemnify, defend and hold the Authority and its executive director, directors, members, officers, employees, agents (except the Company), representatives, successors and assigns harmless from and against, any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Facility or breach by the Company of this Agreement or (ii) liability arising from or expense incurred by the Authority's financing, rehabilitating, renovation, equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all causes of action and reasonable attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Authority, or any of its respective executive director, directors, members, officers, agents or employees and irrespective of the breach of a statutory

obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Authority or any other person or entity to be indemnified.

4. Insurance Required. Effective as of the date hereof and until the Authority consents in writing to a termination, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto. Such insurance shall be provided, in whole or in part, either through insurance carriers meeting the requirements of this Agreement or through a funded self-insurance program, and shall include, but not necessarily be limited to:

(a) (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirement of periodic appraisal), the Company may insure the Facility under a blanket insurance policy or policies covering not only the Facility but other properties as well.

(b) Worker's compensation insurance, disability benefits insurance, and each other form of insurance which the Authority or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.

(c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than \$3,000,000 per accident or occurrence on account of personal injury, including death resulting therefrom, and \$3,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable worker's compensation law; and a blanket excess liability policy in the amount not less than \$5,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.

5. Additional Provisions Respecting Insurance. (a) All insurance required by Section 4(a) hereof shall name the Authority as a named insured and all other insurance required by Section 4 shall name the Authority as an additional insured other than Workers' Compensation Coverage. The Company shall cause all contractors and agents of the Company undertaking the Project to carry and provide evidence of insurance as required within Section 4(c) hereof, with the Authority named as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Authority as their respective interest may appear, and (ii) at

least thirty (30) days prior written notice of the cancellation thereof to the Company and the Authority.

(b) All such policies of insurance, or a certificate or certificates of the insurers that such insurance is in force and effect, shall be deposited with the Authority on the date hereof. Prior to expiration of any such policy, the Company shall furnish the Authority evidence that the policy has been renewed or replaced or is no longer required by this Agreement.

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

7. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, or by a nationally-recognized overnight courier, addressed as follows:

To the Authority: Troy Industrial Development Authority  
433 River Street, 5th Floor  
Troy, New York 12180  
Attn: Chief Executive Officer

With a copy to: Harris Beach PLLC  
677 Broadway, Suite 1101  
Albany, New York 12207  
Attn: Justin S. Miller, Esq.

To the Company: 599 River Street Limited Partnership  
744 Broadway  
Albany, New York 12207  
Attn: Susan M. McCann

With a copy to: Geoffrey Cannon, Esq.  
Cannon Heyman, & Weiss, LLP  
54 State Street, 5<sup>th</sup> Floor  
Albany, New York 12207

With copy to: The Community Preservation Corporation  
28 East 28<sup>th</sup> Street, 9<sup>th</sup> Floor  
New York, New York 10016-7943  
Attention: Director of Portfolio Services  
Loan # 70518  
Facsimile: (212) 683-0737

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the Federal or state courts located in Rensselaer County, New York.

9. The obligations of Company under this Agreement shall be absolute and unconditional and shall remain in full force and effect until the PILOT Agreement has expired or been terminated. The obligations of the Company to make the payments required herein and to perform and observe any and all of the other covenants and agreements on its part contained herein shall be a general obligation of the Company and shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it may otherwise have against the Authority. The Company agrees it will not (i) suspend, discontinue or abate any payment required herein or (ii) fail to observe any of its other covenants or agreements in this Agreement or (iii) except as provided herein, terminate this Agreement for any cause whatsoever including, without limiting the generality of the foregoing, failure to complete the Facility, any defect in the title, design, operation, merchantability, fitness or condition of the Facility or in the suitability of the Facility for the Company's purposes and needs, failure of consideration, destruction of or damage to the Facility, commercial frustration of purpose, or the taking by condemnation of title to or the use of all or any part the Facility, any change in the tax or other laws of the United States of America or administrative rulings of or administrative actions by the State or any political subdivision of either, or any failure of the Authority to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or in connection with this Leaseback Agreement, or otherwise.

10. All warranties, representations, and covenants made by Company herein shall be deemed to have been relied upon by the Authority and shall survive the delivery of this Agreement to the Authority regardless of any investigation made by the Authority. This Agreement shall survive any termination or expiration of the Leaseback Agreement, as described below.

11. Other than as allowed under the Leaseback Agreement, the Company agrees not to take title to any real property as agent for the Authority. At any time prior to the expiration hereof, the Authority can transfer title to the Company of all assets acquired by the Company as agent for the Authority. Additionally, at any time prior to the expiration hereof, the Company can demand that the Authority transfer title to the Company with respect to all assets acquired by the Company as agent for the Authority, provided all amounts owed the Authority have been paid current. Upon completion of the acquisition and installation of the Equipment, the Authority shall transfer title to the Equipment to the Company by a bill of sale (the "Bill of Sale") in the form attached hereto as Exhibit C.

12. By executing this Agreement, the Company covenants and agrees to pay all fees, costs and expenses incurred by the Authority for (1) legal services, including but not limited to those provided by the Authority's general counsel or bond/transaction counsel, (2) other consultants retained by the Authority, if any, in connection with the Project; in accordance with the terms of the Administrative Fee Agreement between the Company and the Authority, and (3) with respect to enforcing this Agreement (including reasonable attorney fees). The Company further covenants and agrees that the Company is liable for payment to the Authority of all charges referred to above, as well as all other actual costs and expenses incurred by the Authority in undertaking the Project notwithstanding the occurrence of any of (1) the applicant's withdrawal, abandonment, cancellation or failure to pursue the Project; (2) the inability of the Authority or the Company to procure the services of one or more financial institutions to provide financing for the Project; or (3) the Company's failure, for whatever reason, to undertake and/or successfully complete the Project.

13. Right to Inspect the Facility. The Authority and its duly authorized agents shall have the right at all reasonable times and upon reasonable notice to inspect the Facility. The Authority shall honor and comply with any restricted access policy of the Company relating to the Facility.

14. Agreement to Timely Report and Provide Information. The Company agrees, whenever requested by the Authority, or as required by applicable law, to provide and certify or cause to be provided and certified, without delay, such information concerning the Company, the Company's employment history and statistics related thereto, the Facility and other topics necessary to enable the Authority to make any report required by law or governmental regulation or as otherwise reasonably requested by the Authority. The foregoing reporting requirements shall include the Company's obligation to prepare and timely file all forms required by the Authority and/or any Agency or Office of the State of New York with respect to the Financial Assistance, including, but not limited to Form ST-340, copies of which shall be filed with the Authority.

15. Books of Record and Account; Financial Statements. The Company at all times agrees to maintain proper accounts, records and books in which full and correct entries shall be made, in accordance with generally accepted accounting principles, of all business and affairs of the Company relating to the Facility.

16. Compliance With Orders, Ordinances, Etc. The Company agrees that it will, throughout the term of this Agreement, promptly comply in all material respects with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all federal, state, county, municipal and other governments, departments, commissions, boards, companies or associations insuring the premises, courts, authorities, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or any part thereof, or to any use, manner of use or condition of the Facility or any part thereof. Notwithstanding the foregoing, the Company may in good faith contest the validity of the applicability of any requirement of the nature referred to above. In such event, the Company may fail to comply with the requirement or requirements so contested during the period of such

contest and any appeal therefrom. The Company will endeavor to give notice of the foregoing to the Authority but failure to do so shall not be a breach of this Agreement.

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[Signature Page to Agent and Financial Assistance Agreement]

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

TROY INDUSTRIAL  
DEVELOPMENT AUTHORITY

By:

  
William Dunne, Executive Director

599 RIVER STREET LIMITED PARTNERSHIP

By: 599 River Street GP LLC, its  
general partner

By: The Community Builders, Inc., its manager

By:

  
Name: Susan M. McCann

Title: Vice President

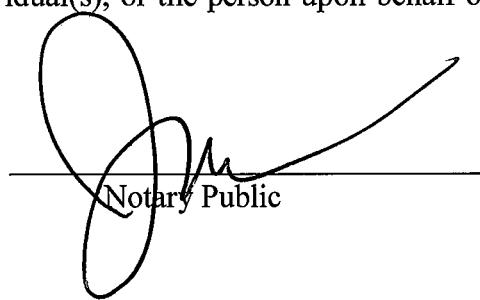
**[Acknowledgment Page to Agent and Financial Assistance Agreement]**

State of New York )

County of Albany ss.:

On the 25 day of February in the year 2016, before me, the undersigned, personally appeared Susan M. McCann, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

JUSTIN S. MILLER  
Notary Public, State of New York  
No. 02MI6020242  
Qualified in Albany County 14  
Commission Expires June 8, 2019  
Commission Expires June 8, 2019



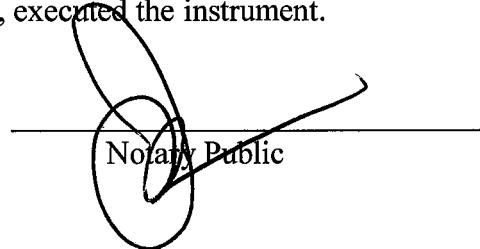
Notary Public

State of New York )

County of Albany ss.:

On the 25 day of February in the year 2016, before me, the undersigned, personally appeared WILLIAM DUNNE, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

JUSTIN S. MILLER  
Notary Public, State of New York  
No. 02MI6020242  
Qualified in Albany County 14  
Commission Expires June 8, 2019



Notary Public

## **SCHEDULE A**

### **LIST OF APPOINTED AGENTS<sup>1</sup>**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

7. \_\_\_\_\_

8. \_\_\_\_\_

9. \_\_\_\_\_

10. \_\_\_\_\_

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<sup>1</sup> FOR EACH AGENT APPOINTED BY THE COMPANY, A NYS FORM ST-60 MUST BE COMPLETED AND FILED BY THE COMPANY WITH THE NYS DEPARTMENT OF TAXATION AND FINANCE IDA UNIT INDICATING THE APPOINTMENT OF SUCH AGENT OF THE COMPANY.

**EXHIBIT A**

**FORM OF NYS FORM ST-60 TO BE COMPLETED BY COMPANY AND FILED WITH  
NYS IDA UNIT FOR EACH OF ITS SUBAGENTS**

**[Attached Next Page]**



# IDA Appointment of Project Operator or Agent

## For Sales Tax Purposes

ST-60

(4/13)

The industrial development agency or authority (IDA) must submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only

Name of IDA Troy Industrial Development Authority		IDA project number (use OSC numbering system for projects after 1998) 3806-16-01A	
Street address 433 River Street, 5th Floor		Telephone number ( 518 ) 279-7166	
City Troy		State NY	ZIP code 12018
Name of IDA project operator or agent	Mark an X in the box if directly appointed by the IDA: <input type="checkbox"/>	Employer identification or social security number	
Street address	Telephone number (      )		Primary operator or agent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
City	State	ZIP code	
Name of project 599 River Street Limited Partnership Project	Purpose of project (see instructions)		
Street address of project site 599 River Street Limited Partnership Project			
City Troy	State NY	ZIP code 12018	
Description of goods and services intended to be exempted from New York State and local sales and use taxes		Renovation, reconstruction, refurbishing and equipping to provide 67 residential apartments (34 one-bedroom units and 33 two-bedroom units)	

Date project operator or agent appointed (mm/dd/yy) 02/25/16	Date project operator or agent status ends (mm/dd/yy) 04/30/17	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>
Estimated value of goods and services that will be exempt from New York State and local sales and use tax:		Estimated value of New York State and local sales and use tax exemption provided:
<p><b>Certification:</b> I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.</p>		
Print name of officer or employee signing on behalf of the IDA Monica Kurzejeski	Print title Interim Executive Director	
<i>Monica Kurzejeski</i>	Date 08/01/2016	Telephone number ( 518 ) 279-7166

## Instructions

### Filing requirements

An IDA must file this form within 30 days of the date the IDA appoints any project operator or other person as agent of the IDA, for purposes of extending any sales and compensating use tax exemptions.

The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA need not file this form if the IDA does not extend any sales or use tax exemption benefits for the project.

If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, the IDA must, within 30 days of the change, file a new form with the new information.

If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA must, within 30 days, send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. It should attach to the letter a copy of the form it originally filed. The IDA need not send a letter for a form that is not valid merely because the "Completion date of project" has passed.

### Purpose of project

For Purpose of project, enter one of the following:

- Services
- Agriculture, forestry, fishing
- Finance, insurance, real estate
- Transportation, communication, electric, gas, sanitary services
- Construction
- Wholesale trade
- Retail trade
- Manufacturing
- Other (specify)

### Mailing instructions

Mail completed form to:

**NYS TAX DEPARTMENT  
IDA UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227**

### Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

## Need help?



**Internet access: [www.tax.ny.gov](http://www.tax.ny.gov)**  
(for information, forms, and publications)



**Sales Tax Information Center:** (518) 485-2889

**To order forms and publications:** (518) 457-5431



**Text Telephone (TTY) Hotline**  
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

**EXHIBIT B-1**

**NYS FORM ST-123**

**FOR**

**COMPANY**

**[Attached Next Page]**



New York State Department of Taxation and Finance

New York State Sales and Use Tax

# IDA Agent or Project Operator Exempt Purchase Certificate

Effective for projects beginning on or after June 1, 2014

**ST-123**

(7/14)

This certificate is not valid unless all entries have been completed.

**Note:** To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller		Name of agent or project operator	
		599 River Street Limited Partnership	
Street address		Street address	
		744 Broadway	
City, town, or village	State	ZIP code	City, town, or village
			State
			ZIP code
			Albany NY 12207
Agent or project operator sales tax ID number (see instructions)			

Mark an **X** in one:  Single-purchase certificate  Blanket-purchase certificate (valid only for the project listed below)

**To the seller:**

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

**Project information**

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA			
Troy Industrial Development Authority			
Name of project	IDA project number (use OSC number)		
599 River Street Limited Partnership Project	3806-16-01A		
Street address of project site			
599 River Street			
City, town, or village	State	ZIP code	
Troy	NY	12018	
Enter the date that you were appointed agent or project operator (mm/dd/yy) .....	02 / 25 / 16	Enter the date that agent or project operator status ends (mm/dd/yy) .....	04 / 30 / 17

**Exempt purchases**(Mark an **X** in boxes that apply)

- A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

## Instructions

### To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

**Agent or project operator sales tax ID number** — If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter **N/A**.

*Industrial development agencies and authorities (IDAs)* are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

*Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.*

*Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.*

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

### Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

- A. Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.
- B. Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam; and gas, electric, refrigeration, and steam services.
- C. Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

### Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See *TSB-M-09(17)S, Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

### To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You **must** identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates, or the date the return was filed, if later.

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our Web site at [www.tax.ny.gov](http://www.tax.ny.gov)

- get information and manage your taxes online
- check for new online services and features



Sales Tax Information Center:

(518) 485-2889

To order forms and publications:

(518) 457-5431



Text Telephone (TTY) Hotline

(for persons with hearing and speech disabilities using a TTY):

(518) 485-5082

**EXHIBIT B-2**

**NYS FORM ST-123**  
**FOR**  
**SUBAGENTS OF COMPANY**

**[Attached Next Page]**



New York State Department of Taxation and Finance

**New York State Sales and Use Tax**

## **IDA Agent or Project Operator Exempt Purchase Certificate**

**Effective for projects beginning on or after June 1, 2014**

**ST-123**

(7/14)

This certificate is not valid unless all entries have been completed.

**Note:** To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller	Name of agent or project operator		
Street address	Street address		
City, town, or village	State	ZIP code	City, town, or village
			State ZIP code
Agent or project operator sales tax ID number (see instructions)			

Mark an **X** in one:  Single-purchase certificate  Blanket-purchase certificate (valid only for the project listed below)

**To the seller:**

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

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### **Project information**

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA <b>Troy Industrial Development Authority</b>		
Name of project <b>599 River Street Limited Partnership Project</b>	IDA project number (use OSC number) <b>3806-16-01A</b>	
Street address of project site <b>599 River Street</b>		
City, town, or village <b>Troy</b>	State <b>NY</b>	ZIP code <b>12018</b>
Enter the date that you were appointed agent or project operator (mm/dd/yy) ..... <b>02 / 25 / 16</b>	Enter the date that agent or project operator status ends (mm/dd/yy) ..... <b>04 / 30 / 17</b>	

---

### **Exempt purchases**

(Mark an **X** in boxes that apply)

- A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

---

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

## Instructions

### To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

**Agent or project operator sales tax ID number** — If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter **N/A**.

*Industrial development agencies and authorities (IDAs)* are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

*Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.*

*Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.*

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

### Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

- A. Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.
- B. Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam; and gas, electric, refrigeration, and steam services.
- C. Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

### Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See *TSB-M-09(17)S, Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

### To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You **must** identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates, or the date the return was filed, if later.

### Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

### Need help?



Visit our Web site at [www.tax.ny.gov](http://www.tax.ny.gov)

- get information and manage your taxes online
- check for new online services and features



Sales Tax Information Center:

(518) 485-2889

To order forms and publications:

(518) 457-5431



Text Telephone (TTY) Hotline

(for persons with hearing and speech disabilities using a TTY):

(518) 485-5082

**EXHIBIT C**

**FORM OF BILL OF SALE**

**TROY INDUSTRIAL DEVELOPMENT AUTHORITY**, a public benefit corporation of the State of New York, having its offices at 433 River Street, 5th Floor, Troy, New York 12180 (the "Grantor"), for the consideration of One Dollar (\$1.00), cash in hand paid, and other good and valuable consideration received by the Grantor from **599 RIVER STREET LIMITED PARTNERSHIP**, a New York limited partnership having an address of 744 Broadway, Albany, New York 12207 (the "Grantee"), the receipt of which is hereby acknowledged by the Grantor, hereby sells, transfers and delivers unto the Grantee and its successors and assigns, all those materials, machinery, equipment, fixtures or furnishings which were acquired by the Grantee, as agent for the Grantor, pursuant to the Agent Agreement dated as of February 25, 2016 (the "Equipment"), whether now owned or hereafter acquired, which Equipment is located or intended to be located at 599 River Street, Troy, New York.

TO HAVE AND TO HOLD the same unto the Grantee, and its successors and assigns, forever.

THE GRANTOR MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, TITLE, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS OF THE EQUIPMENT OR ANY PART THEREOF OR AS TO THE SUITABILITY OF THE EQUIPMENT OR ANY PART THEREOF FOR THE GRANTEE'S PURPOSES OR NEEDS. THE GRANTEE SHALL ACCEPT TITLE TO THE EQUIPMENT "AS IS," WITHOUT RE COURSE OF ANY NATURE AGAINST THE GRANTOR FOR ANY CONDITION NOW OR HEREAFTER EXISTING. NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY IS MADE. IN THE EVENT OF ANY DEFECT OF DEFICIENCY OF ANY NATURE, WHETHER PATENT OR LATENT, THE GRANTOR SHALL HAVE NO RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO.

IN WITNESS WHEREOF, the Grantor has caused this bill of sale to be executed in its name by the officer described below on the date indicated beneath the signature of such officer and dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_\_.

**TROY INDUSTRIAL DEVELOPMENT  
AUTHORITY**

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT D**

**NYS FORM ST-340**

**[Attached Next Page]**



# Annual Report of Sales and Use Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority (IDA)

ST-340

(3/11)

For Period Ending December 31, \_\_\_\_\_ (enter year)

## Project information

Name of IDA agent/project operator	Federal employer identification number (FEIN)	
Street address	Telephone number (      )	
City	State	ZIP code
Name of IDA agent/project operator's authorized representative, if any	Title	
Street address	Telephone number (      )	
City	State	ZIP code
Name of IDA		
Name of project		
Street address of project site		
City	State	ZIP code

**1** Project purpose (mark an X in the appropriate box):

<input type="checkbox"/> Services	<input type="checkbox"/> Construction	<input type="checkbox"/> Agriculture, forestry, fishing
<input type="checkbox"/> Wholesale trade	<input type="checkbox"/> Retail trade	<input type="checkbox"/> Finance, insurance or real estate
<input type="checkbox"/> Transportation, communication, electric, gas, or sanitary services		
<input type="checkbox"/> Manufacturing <input type="checkbox"/> Other (specify) _____		

**2** Date project began (mm/dd/yy): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

**3** Beginning date of construction or installation (mm/dd/yy; see instructions): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ ;  actual  expected

**4** Completion date of construction phase of project (mm/dd/yy; see instructions): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ ;  actual  expected

**5** Completion date of project (mm/dd/yy; see instructions): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ ;  actual  expected

**6** Duration of project (actual or expected; years/months): \_\_\_\_\_ / \_\_\_\_\_

**7** Total sales and use tax exemptions (actual tax savings; NOT total purchases) ..... 7 \$ \_\_\_\_\_

**Certification:** I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer, employee, or authorized representative signing for the IDA agent/project operator	Title of person signing
--	-------------------------

Signature	Date
-----------	------

Failure to annually file a complete report may result in the removal of authority to act as an IDA agent/project operator.

Mail completed report to: NYS Tax Department, IDA Unit, W A Harriman Campus, Albany NY 12227.

## Instructions

### General information

#### Who must file?

The General Municipal Law (GML) and the Public Authorities Law require the agent/project operator (also known as the *project occupant*) of an Industrial Development Agency or Authority (IDA) to file an annual report with the Tax Department. The agent/project operator required to file this report is the person **directly appointed** by the IDA to act for and to represent the IDA for the project. The agent/project operator is ordinarily the one for whom the IDA project was created.

There is usually only one agent/project operator directly appointed by the IDA for an IDA project. However, if the IDA directly appoints multiple agents/project operators, each agent/project operator must file this form (unless they are related corporations).

Only the agent/project operator(s) directly appointed by the IDA must file Form ST-340. Contractors, subcontractors, consultants, or agents appointed by the agent/project operator(s) should **not** themselves file Form ST-340. However, the agent/project operator(s) must include on Form ST-340 information obtained from such contractors, subcontractors, consultants, and agents, as described below.

#### What must be reported?

The report must show the **total value of all state and local sales and use taxes exempted** during the calendar year, as a result of the project's designation as an IDA project. This includes:

- the value of the exemptions obtained by the agent/project operator; and
- the value of the exemptions obtained by your contractors, subcontractors, consultants, and others, whether or not appointed as agents of the IDA.

The report requires only the **total combined exemptions** obtained by the above people. A break down of the total is not required. However, since the report must include the value of the exemptions they obtained, the agent/project operator must keep records of the amounts others report to the agent/project operator.

It is important that the agent/project operator make it clear to the contractors, subcontractors, consultants, and others that they must keep accurate tax information and have it available so that the agent/project operator can comply with the annual reporting requirements.

Do not include in this report the amount of any sales and use tax exemptions arising out of other provisions of the Tax Law (for example, manufacturer's production equipment exemption, research and development exemption, or contractor's exemption for tangible personal property incorporated into a project of an exempt organization).

See instructions below for additional information required.

#### When is the report due?

You must file Form ST-340 on a calendar-year basis. It is due by the last day of February of the following year. The reporting requirement applies to IDA projects started on or after July 21, 1993.

#### Project information

At the top of the form, identify the reporting period by entering the year in the space provided. If an address is required, always include the ZIP code.

#### Name of IDA agent/project operator

Enter the name, address, federal employer identification number (FEIN), and telephone number of the IDA agent/project operator.

#### Name of IDA agent/project operator's authorized representative

Enter the name, address, title (for example, attorney or accountant), and telephone number of the individual authorized by the IDA agent/project operator to submit this report.

#### Name of IDA

Enter the name and address of the IDA. If more than one IDA is involved in a particular project, the IDA agent/project operator must file a separate report for the tax exemptions attributable to each IDA.

#### Name of project

Enter the name of the project and the address of the project site. If the IDA agent is involved in more than one project, a separate report must be filed by the IDA agent/project operator for each project, even if authorized by the same IDA.

#### Line instructions

**Line 1 — Project purpose** — Mark an **X** in the box that identifies the purpose of the project. If you mark **Other**, please be specific in identifying its purpose.

**Line 2** — Enter the date the project started (this means the earliest of the date of any bond or inducement resolution, the execution of any lease, or any bond issuance). Include month, day, and year.

**Line 3** — Enter the date you, or your general contractor or subcontractor, actually began, or expect to begin, construction or installation on the project. Mark an **X** in the appropriate box to indicate if the date entered is actual or expected. If the project does not involve any construction, enter **Does not apply**.

**Line 4** — Enter the date the construction phase of the project was completed or is expected to be completed. Mark an **X** in the appropriate box to indicate if the date entered is actual or expected.

**Line 5** — Enter the date installation, lease, or rental of property (for example, machinery or computers) on the project ended or the date the project is expected to be completed. Mark an **X** in the appropriate box to indicate if the date entered is actual or expected.

**Line 6** — Enter the total number of years and months from the project's inception to its completion or expected completion.

**Line 7** — Enter the total amount of New York State and local sales and use taxes exempted during the reporting period (if none, enter **0**) as a result of the project's receipt of IDA financial assistance. This includes exemptions obtained at the time of purchase as well as through a refund or credit of tax paid. Include the sales and use taxes exempted on purchases of property or services incorporated into or used on the exempt project. This includes the taxes exempted on purchases made by or on behalf of the agent/project operator, the general contractor for the project, and any subcontractors, consultants, or others. Do **not** enter total purchases on line 7.

#### Signature area

Enter the name and title of the person signing on behalf of the IDA agent/project operator (for example, the IDA agent/project operator's officer, employee, or other authorized representative). The IDA agent/project operator's officer, employee, or authorized representative must sign the report. Enter the date signed.

Mail completed report to: **NYS Tax Department, IDA Unit, W A Harriman Campus, Albany NY 12227**.

#### Need help?



**Internet access:** [www.tax.ny.gov](http://www.tax.ny.gov)  
(for information, forms, and publications)



**Sales Tax Information Center:** (518) 485-2889  
To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline**  
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

#### Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.