



RUSHTON PLACE, LLC

Company: Rushton Place, LLC

Site Address: One Main Street
Canton, New York 13617

Start Date: Fall 2009

Overview: This project consists of the acquisition of property located at One Main Street and 5 Riverside Drive, Canton and converting the property to commercial space (1st floor), residential space (2nd floor) and parking.

Request: The Agency is contemplating providing financial assistance to the company in the form of (i) a sales/use tax exemption for purchases and rentals related to the acquisition, renovation, modernization and equipping of the project; (ii) a mortgage recording tax exemption for the financing related to the project and (iii) a partial real property tax abatement consistent with the IDA's uniform tax exemption policy or in accordance with procedures for deviation from the policy.

Employment:

- Current Employment Level: 6 FT; 1 PT; 1 Seasonal
- Projected: 18 jobs added over 3 years.
- Construction Jobs: 18

Actions (Res#): 08/12/2009: IDA 09-08-32
10/13/2009: IDA 09-10-37
12/01/2009: IDA 09-12-44

Comments: A public hearing was held September 16, 2009, notice of which was published in accordance with General Municipal Law.

More information on this project may be obtained from IDA Facilities Manager Richard Williams at (315) 379-9806.

AGENT AGREEMENT

THIS AGENT AGREEMENT RELATING TO THE RUSHTON PLACE, LLC FACILITY by and between the ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") and RUSHTON PLACE, LLC, a New York limited liability company (the "Company").

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Article 18-A of the General Municipal Law of the State of New York as amended, and Chapter 358 of the Laws of 1971 of the State of New York, as may be amended from time to time (collectively, the "Act") to undertake "Projects" (as defined in the Act) and to lease or sell the same upon such terms and conditions as the Agency may deem advisable.

1.02. The purposes of the Act are (i) to promote industry and develop trade by inducing manufacturing, industrial, warehousing, research, recreation and commercial enterprises to locate or remain in the State, (ii) to encourage and assist in the providing of industrial pollution control facilities, and (iii) to promote the economic welfare and prosperity of the inhabitants of the State. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes.

1.03. The Company has requested that the Agency provide assistance to a certain project consisting of (A) the acquisition of title to or a leasehold interest in property located at 1 Main Street and 5 Riverside Drive, both in the Village of Canton, Town of Canton, St. Lawrence County, State of New York (collectively, the "Land") and the existing improvements and buildings located thereon (the "Existing Improvements"), (B) the renovation, modernization and equipping of an existing commercial building of approximately 17,000 square feet and demolition of a former Laundromat for construction of a parking lot (the "Improvements") the 1st floor to be used for commercial space and the 2nd floor to be used for residential space and the former Laundromat to be used for parking and (C) the acquisition in and around the Improvements of certain items of equipment and other tangible personal property (the "Equipment," and with the Land, the Existing Improvements and the Improvements are collectively the "Facility"), and including the following as they relate to the acquisition, renovation, modernization and equipping of the Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such building: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation, modernization and equipping of the Facility, and (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquisition, renovation, modernization and equipping of the Facility; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under such Facility; and the Facility will be leased (with an obligation to purchase)

or sold to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

1.04. The Company hereby represents to the Agency that the Agency's involvement with the Facility (a) will not result in the removal of an industrial or manufacturing facility from one area of the State to another area of the State or an abandonment of one or more plants or facilities of the Company located in the State, or (b) if such relocation is to occur, it is reasonably necessary to discourage the Company from removing such other plant or facility to a location outside the State, or (c) is reasonably necessary to preserve the competitive position of the Company in its industry. The acquisition, renovation, modernization and equipping of the Facility has not commenced as of the date hereof.

1.05. The Agency has determined that the acquisition, renovation, modernization and equipping of the Facility, as described in the Company's application to the Agency dated July 15, 2009, which Application may be amended from time to time prior to the closing of this transaction (the "Application") and the leasing or sale thereof to the Company will promote and further the purposes of the Act.

1.06. On October 13, 2009, the Agency adopted a resolution (the "Resolution" or the "Inducement Resolution") agreeing to undertake the Facility in order to assist the Company to effectuate the purposes of the Act and, subject to the happening of all acts, conditions and things required precedent to such undertaking and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, to hold title to the Facility and lease or sublease the same upon such terms and conditions as the Agency may deem advisable.

1.07. In the Resolution, the Agency appointed the Company and their respective agents and other designees, as the Agency's agent for the purposes of acquiring, renovating, modernizing and equipping the Facility, and such appointment includes the following activities as they relate to the acquisition, renovation, modernization, equipping, repairing, and maintaining of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquiring, renovating, modernizing, equipping, repairing, replacing and maintaining the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquiring, renovating, modernizing and equipping the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Facility, including all repairs and replacements of such property. Such Agency appointment includes the power to make, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as the Agency could do if acting on its own behalf.

Article 2. Undertakings on the Part of the Agency. Based upon the statements, representations and undertakings of the Company regarding the Facility and subject to the conditions set forth herein, the Agency hereby confirms and acknowledges:

2.01. That the intent of the Agency is to take title to the Facility and to all machinery, apparatus, equipment, fittings, fixtures, furniture, furnishings and other personal property used and to be used at the location of the Facility, including any addition thereto and substitutions or replacements therefore.

2.02. That all services, costs and expenses of whatever nature incurred in connection with the acquisition, renovation, modernization, equipping, installation, replacement, rebuilding, restoration, repair, maintenance and operation of the Facility have been and will continue to be undertaken by the Company, as agent for the Agency, regardless of whether such services, costs and expenses were undertaken and/or paid in its own name or in the name of the Agency, and the Agency shall furnish to the Company an appropriate letter on Agency letterhead evidencing the authority of the Company to act as agents of the Agency.

2.03. That, in connection with any lease by the Agency to the Company that is in turn, subleased or leased by the Company upon the written consent of the Agency, it is the intent of all parties to the transactions that any sublease or lease is undertaken by the Company as agent for the Agency.

2.04. That, at the request of the Company and subject to the agreement between the Agency and the Company, any future transfers of any portion of real property upon which the Facility is located and not owned by the Agency, are hereby authorized, such transfers are to be from the Company to the Agency and there shall be no need for any further official action on behalf of the Agency other than the execution of the appropriate documents evidencing such transfer.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency herein and in the Resolution and subject to the conditions set forth herein and in the Resolution, the Company agrees as follows:

3.01. The Company hereby accepts the appointment made by the Agency in the Resolution to be the true and lawful agent of the Agency to (i) acquire, renovate, modernize, equip, repair, replace and maintain the Facility; and (ii) make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent of the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and the same validity as the Agency could do if acting on its own behalf, including the authority to delegate such agency appointment as described in the Resolution.

3.02. The Company will, to the extent deemed by it to be necessary or desirable to complete the Facility, enter into a contract or contracts for the renovation, modernization, equipping, repairing, replacing and maintaining of the Facility (including any necessary

contracts for the acquisition of real property necessary or useful in the Facility), and, on the terms and conditions set forth in the Lease Agreement (as defined below), will transfer to the Agency, or cause to be transferred to the Agency, title to the Facility.

3.03. The Company will enter into a lease agreement with the Agency (the "Lease Agreement") containing, among other things, the terms and conditions described in Section 2.02 hereof and such other agreements as shall be necessary or appropriate.

3.04. (a) The Company shall not permit to stand and will, at its own expense, take all steps reasonably necessary to remove (or bond the same if acceptable to the Agency and its counsel in the Agency's sole discretion) any mechanics' or other liens against the Facility for labor or materials furnished in connection with the acquisition, construction and equipping of the Facility. The Company shall forever defend, indemnify and hold the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, harmless from and against all costs, losses, expenses, claims, damages and liabilities of whatever kind or nature arising, directly or indirectly, out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition, renovation, modernization and equipping of the Facility or arising out of any contract or other arrangement therefore (and including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing including but not limited to attorney's fees and expenses) whether such claims or liabilities arise as a result of the Company acting as agents for the Agency pursuant to this Agreement or otherwise.

(b) The Company shall forever defend, indemnify and hold harmless the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, from and against all claims, causes of action, liabilities and expenses howsoever arising for loss or damage to property or any injury to or death of any person (including, without limitation, death of or injury to any employee of the Company) that may occur subsequent to the date hereof by any cause whatsoever in relation to the Facility including, without limitation, the failure to comply with the provisions of Article 3.04, 3.05, 3.07 and 3.08 hereof, or arising, directly or indirectly, out of the ownership, renovation, modernization, acquisition, operation, maintenance, repair or financing of the Facility, and including, without limitation, any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(c) The defense and indemnities provided for in this Article 3 shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by law. Without limiting the generality of the foregoing, the foregoing indemnifications shall apply to or encompass any action (or alleged failure to act)

of the Agency pursuant to the New York State Environmental Quality Review Act ("SEQRA").

(d) The Company shall provide and carry workers' compensation and disability insurance as required by law and comprehensive liability insurance with such coverage (including, without limitation, owner's protective for the benefit of the Agency and contractual coverage covering the indemnities herein provided) with such limits and with such companies as may be approved by the Agency in its discretion. Upon the request of the Agency, the Company shall provide certificates of insurance in form satisfactory to the Agency evidencing such insurance.

3.05. The Company agrees that, as an agent for the Agency or otherwise, it will comply with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or the Company with respect to the Facility, the acquisition, renovation, modernization and/or equipping thereof, the operation and maintenance of the Facility and the financing thereof. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.06. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.07. If it should be determined that any state or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the Facility, or are in any manner otherwise payable directly or indirectly in connection with the Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.08. The Company shall file with the New York State Department of Taxation and Finance an annual statement of the value of all sales and use tax exemptions claimed in connection with the Facility, in compliance with Section 874(8) of the New York State General Municipal Law. The Company shall provide the Agency with a copy of such annual statement at the time of filing with the State Department of Taxation and Finance.

3.09 If the Facility is leased to another party by the Agency and subleased to the Company, then in such event, the Company guarantees all of the covenants, undertakings and indemnities of such other party as set forth in this Article 3.

Article 4. General Provisions.

4.01. This Agreement shall take effect on the date of execution hereof by the Agency, the Company and shall remain in effect until the Lease Agreement becomes

effective. It is the intent of the Agency and the Company that this Agreement be superseded in its entirety by the Lease Agreement, except for the indemnities and guarantee of indemnities contained herein, which shall survive.

4.02. It is understood and agreed by the Agency and the Company that the execution of the Lease Agreement and related documents are subject to (i) obtaining all necessary governmental approvals, (ii) approval of the of the Company, (iii) opinion of counsel for the Company that the Company have properly authorized the documents in question, (iv) approval of the members of the Agency, (v) satisfactory completion of the environmental review of the Facility by the Agency in compliance with SEQRA, (vi) agreement by the Agency and the Company upon mutually acceptable terms and conditions for the Lease Agreement, Payment in Lieu of Tax Agreement, Environmental Compliance and Indemnity Agreement, and other documentation usual and customary to transactions of this nature, (vii) the condition that there are no changes in New York State Law, and including Regulations, Temporary Regulations or Proposed Regulations, which prohibit or limit the Agency from fulfilling its obligation and commitment as herein set forth, (viii) payment by the Company of the Agency's fee, if any, and (ix) payment by the Company of the fees and disbursements of Agency's Counsel including the fees and disbursements of Underberg & Kessler LLP with respect to this transaction.

4.03. The Company agrees that it will reimburse the Agency for all reasonable and necessary direct out-of-pocket expenses which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder.

4.04. If for any reason the Lease Agreement is not executed on or before December 31, 2010, the provisions of this Agreement (other than the provisions of Articles 3.04 through 3.09 hereof, which shall survive) shall, unless extended by an agreement in writing of the Agency and the Company (whether before or after such original expiration date), terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses which were authorized by the Company and incurred by the Agency in connection with the acquisition, construction and equipping repair and maintenance of the Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of equipment, materials, supplies and services entered into by the Company at the request of or as agents for the Agency in connection with the Facility; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency, and counsel for the Agency incurred in connection with the Facility and will pay the reasonable fees of counsel for the Agency for legal services relating to the Facility.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the 13th day of October, 2009.

ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name: Raymond H. Fountain
Title: Chief Executive Officer

RUSHTON PLACE, LLC

By: _____
Name: John J. Gray, Jr.
Title: Member

By: _____
Name: Richard E. Maginn
Title: Member



St. Lawrence County Industrial Development Agency

80 State Highway 310, Suite 6 ~ Canton, New York 13617

Phone: (315) 379-9806 ~ Fax: (315) 386-2573 ~ www.slcida.com

MEMBERSHIP

CERTIFIED MAIL

CHAIRMAN
Brian W. Staples
Brian Staples, CPA

October 28, 2009

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VICE CHAIRMAN
Ernest LaBaff
President Emeritus,
Aluminum Brick & Glass
Workers International Union

New York State Tax Department
IDA Unit
Building 8, Room 738
WA Harriman Campus
Albany, New York 12227

*

SECRETARY
Lynn Blevins
Blevins Brothers, Inc.

RE: ST-60
St. Lawrence County Industrial Development Agency
Project: Rushton Place, LLC

*

Jon R. Greenwood
Greenwood Dairy

Dear Sir or Madam:

*

Andrew McMahon
Massena Electric Department

Enclosed please find an ST-60 for the above-cited project.

*

Frederick S. Morrill
St. Lawrence County
Board of Legislators

Please feel free to contact this office if you have any questions or concerns.


*

R. Joseph Weekes, Jr.
Weekes Agency

Sincerely,

*

**CHIEF EXECUTIVE
OFFICER**
Raymond Fountain
St. Lawrence County
Industrial Development Agency


Raymond H. Fountain
Chief Executive Officer

*

**CHIEF FINANCIAL
OFFICER**
Kimberly Gilbert
St. Lawrence County
Industrial Development Agency



IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(7/02)

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 St. Lawrence County Industrial Development Agency		IDA project number (use OSC numbering system for projects after 1998)	
Street address 80 State Highway 310, Suite 6		Telephone number (315) 379-9806	
City Canton	State New York	ZIP code 13617	
Name of IDA project operator or agent	Check 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 Rushton Place, LLC		Purpose of project (see instructions) Construction	
Street address of project site 1 Main Street			
City Canton	State New York	ZIP code 13617	

Description of goods and services intended to be exempted from sales and use taxes

Goods and services relating to the construction and outfitting of a commercial building on land located at 1 Main Street in the Village of Canton, New York.

Date project operator or agent appointed	mm	dd	yyyy	Date project operator or agent status ends	mm	dd	yyyy
	10	13	2009		12	31	2010

Estimated value of goods and services to be exempted from sales and use taxes as a result of the project's designation as an IDA project:

Print name of officer or employee signing on behalf of the IDA Raymond H. Fountain		Print title CEO
Date 10/13/2009	Telephone number (315) 379-9806	

Instructions

Filing requirements

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

The IDA must file a separate form for each project operator or agent appointed, whether directly or indirectly, and regardless of whether it is the primary operator or agent. If the IDA authorizes an operator or agent to appoint other agents, 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 new agent's appointment. The IDA need not file this form for people hired to work on an IDA project who are not appointed as agents of the IDA. The IDA need not file this form if there are no sales or use tax exemption benefits authorized for a project as a result of the project's designation as an IDA project.

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, Building 8 Room 738, 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 171, 171-a, 267, 308, 429, 475, 505, 687, 1086, 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 Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

Need help?

Telephone assistance is available from 8 a.m. to 5:55 p.m. (eastern time), Monday through Friday.

Business tax information: 1 800 972-1233

Forms and publications: 1 800 462-8100

From areas outside the U.S. and outside Canada: (518) 485-6800

Fax-on-demand forms: 1 800 748-3676

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110 (8 a.m. to 5:55 p.m., eastern time).

Internet access: www.tax.state.ny.us

Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 225-5829.

If you need to write, address your letter to: NYS Tax Department, Taxpayer Contact Center, W A Harriman Campus, Albany NY 12227.