

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AMENDING RESOLUTION
AmTech Yarns, Inc. Project [#4001-18-02]
 Resolution No. 19-02-04
 February 21, 2019

AMENDING ASSISTANCE TO AMTECH YARNS, INC.

A regular meeting of the St. Lawrence County Industrial Development Agency (the "SLCIDA") was convened on February 21, 2019, at 8:30 a.m., local time, in the Main Conference Room of the Ernest J. LaBaff Industrial Building, 19 Commerce Lane, Canton, New York.

The meeting was called to order by the Vice-Chairman and, upon roll being called, the following members of the SLCIDA were:

| MEMBER | PRESENT | ABSENT |
|-------------------|----------------|---------------|
| Blevins, Lynn | X | |
| Hall, Mark C. | X | |
| LaBaff, Ernest | X | |
| McMahon, Andrew | X | |
| Morrill, Steven | X | |
| Reagen, James | X | |
| Staples, Brian W. | | X |

The following persons were ALSO PRESENT: Staff: Patrick J. Kelly, Thomas A. Plastino, and Lori Sibley; and SLCIDA Counsel Andrew W. Silver, Esq.

After the meeting had been duly called to order, the Vice-Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of AmTech Yarns, Inc.

On motion duly made by Mr. Morrill and seconded by Mr. Hall, the following resolution was placed before the members of the St. Lawrence County Industrial Development Agency:

RESOLUTION OF THE ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AMENDING RESOLUTION IDA-18-06-16 DATED JUNE 22, 2018.

AmTech Yarns, Inc. Project [#4001-18-02]
 Resolution No. 19-02-04
 February 21, 2019

WHEREAS, the St. Lawrence County Industrial Development Agency (the "SLCIDA") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State") as amended, and Chapter 358 of the Laws of 1971 of the State, as amended (collectively, the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, including industrial pollution control

facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration, and

WHEREAS, by resolution IDA-18-06-16 adopted June 22, 2018 (the “Project Authorizing Resolution”), the SLCIDA previously appointed AMTECH YARNS, INC. (the “Company”) as agent to undertake a certain project (the “Project”) in the form of exemption from sales and use tax on purchases and rentals of goods and services related to the undertaking of a certain project, as the Company invests in its facility at 21 Trade Road in the Village of Massena, St. Lawrence County, New York, such real property being more particularly described as TMID No 16.027-4-7 (herein, the “Facility”) together with the existing approximately 20,000 square foot building thereon (the “Existing Improvements”) to construct a 3,600 square foot addition and improvements to the existing structure, (collectively, the “Improvements”) the acquisition therein, thereon or thereabout of certain machinery, equipment and related tangible personal property (the “Equipment” and, together with the Land and the Improvements, the “Facility”) and as more thoroughly described within the Application and in the attached **Exhibit A**, and

WHEREAS, the Company has requested the SLCIDA’s approval of an extension of agent status through August 31, 2019, and

NOW, THEREFORE, BE IT RESOLVED by the members of the St. Lawrence County Industrial Development Agency as follows:

Section 1. The SLCIDA hereby authorizes the extension of the appointment of the Company as agent to undertake the Project, subject to (i) the modification of a certain Agency Compliance Agreement, dated as of June 22, 2018 and entered into by the SLCIDA and the Company, or (ii) modification of Lease documents to include the additional expansion, the execution and delivery by the Company of an Agent and Financial Assistance Agreement (the “Agent Agreement”), and in all events the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the SLCIDA, the SLCIDA hereby authorizes the Company to continue with the acquisition, construction and equipping of the Project (as hereinafter defined) and hereby appoints the Company as the true and lawful agent of the SLCIDA: (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the SLCIDA with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project (as hereinafter defined) , all with the same powers and the same validity that the SLCIDA could do if acting in its own behalf.

Section 2. (A) The SLCIDA hereby authorizes the execution and delivery of an Amended Agent Agreement substantially in the form attached hereto as **Exhibit B**, along with the issuance of all related documents to the Company, as agent of the SLCIDA in furtherance of the Project; and

(B) Subject to the Company’s execution and delivery of the Agent Agreement and the delivery to the SLCIDA of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the SLCIDA, the SLCIDA hereby authorizes the Company to proceed with the undertaking of the Project and hereby appoints the Company, and their respective agents and other designees, as the true and lawful agent of the SLCIDA: (i) to acquire, construct and equip the Project;

(ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the SLCIDA with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the SLCIDA could do if acting in its own behalf; and

(C) The exemption from sales and use tax on purchases and rentals of goods and services related to the undertaking of the Project conveyed to the Company by the SLCIDA shall expire on August 31, 2019, unless extended pursuant to the terms of the Agent Agreement; and

(D) The value of New York State and local sales and use tax exemption provided to the Company under this project remains unchanged and is estimated to be \$24,000; and

Section 3. The officers, employees and agents of the SLCIDA are hereby authorized and directed for and in the name and on behalf of the SLCIDA to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the SLCIDA with all of the terms, covenants and provisions of the documents executed for and on behalf of the SLCIDA.

Section 4. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

| Member | Aye | Nay | Abstain | Absent |
|-------------------|-----|-----|---------|--------|
| Blevins, Lynn | X | | | |
| Hall, Mark C. | X | | | |
| LaBaff, Ernest | X | | | |
| McMahon, Andrew | X | | | |
| Morrill, Steven | X | | | |
| Reagen, James | X | | | |
| Staples, Brian W. | | | | X |

The resolution was thereupon declared duly adopted.

EXHIBIT A

FINANCIAL ASSISTANCE TERMS AND CONDITIONS

| | | |
|------------|--|---|
| 1. | Applicant Name/Project Number: AmTech Yarns, Inc. Project [#4001-18-02] | |
| 2. | Project Description (the “Project”): Purchase and investment in a facility at 21 Trade Road in the Village of Massena, St. Lawrence County, New York, such real property being more particularly described as Tax Map ID No 16.027-4-7 (herein, the “Land”) together with the existing approximately 20,000 square foot building thereon (the “Existing Improvements”) to construct a new 3,600 square foot addition, provide interior and exterior upgrades, and renovations to the manufacturing space itself to accommodate new equipment and the proposed processing flow of raw logs as improvements to the existing structure, (collectively, the “Improvements”) the acquisition therein, thereon or thereabout of certain machinery, equipment and related tangible personal property (the “Equipment” and, together with the Land and the Existing Improvements, the “Facility”) and as more thoroughly described within the Application. | |
| 3. | Type of Financial Assistance Requested: | Exemption from sales and use taxes on purchases and rentals of goods and services relating to the undertaking of the “Project” as described, above. Extended by this Resolution to terminate August 31, 2019. Partial Real Property Tax Abatement through a PILOT. |
| 4. | Total Amount of Project: | \$3,706,858 |
| 5. | Benefited Project Amount: | \$750,000 |
| 6. | Estimated value of NYS Sales & local sales and use tax exemption to be provided to the Company for this Project: | \$24,000.00 (Previously approved by Resolution IDA-18-06-16) |
| 7. | PILOT Structure and Estimated Net Exemption from PILOT | Standard 10-year IDA PILOT with estimated 10-year net exemption of \$246,477 |
| 8. | Mortgage Recording Tax Exemption | N/A |
| 9. | Full-time Equivalent Jobs to be Retained as a Result of the Project: | 0 |
| 10. | Full-Time Equivalent Jobs to be Created as a Result of the Project: | 9 |
| 11. | Expiration of the Financial Assistance: | 12/31/2035 |

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(ST. LAWRENCE COUNTY, NEW YORK)

and

AMTECH YARNS, INC.

AMENDED
AGENCY COMPLIANCE AGREEMENT
for conveyance of sales and use tax exemption benefit.

TERM OF CONVEYENCE OF AGENT STATUS:
06/22/2018 – 08/31/2019

ST. LAWRENCE COUNTY, NEW YORK
AMTECH YARNS, INC.
*EXPANSION INTO THE US CREATING AN EXTRUSION COMPANY
TO PRODUCE NYLON FIBERS/YARNS
(PROJECT #4001-18-02)*

BENEFIT LIMITED TO
\$24,000

AGENCY COMPLIANCE AGREEMENT

THIS AGENCY COMPLIANCE AGREEMENT (the "Agreement") is by and between the **ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, public benefit corporation of the State of New York, having its principal office at 19 Commerce Lane, Suite 1, Canton, St. Lawrence County, New York 13617 (the "SLCIDA"), and **AMTECH YARNS, INC.** a business corporation duly organized and validly existing under the laws of the State of New York, having offices at 21 Trade Road, Massena, St. Lawrence County, New York 13662 (the "Company").

WITNESSETH:

WHEREAS, the SLCIDA was created by Chapter 132 of the Laws of 1973 of the State of New York, as amended, pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended (collectively, the "Act");

WHEREAS, the COMPANY has submitted an application (the "APPLICATION") to the SLCIDA requesting the SLCIDA's assistance with a certain project in the form of Sales and Use Tax Exemptions:

| | |
|---|--|
| SLCIDA Project Number: | 4001-18-02 |
| Project Address: | 21 Trade Road Massena, New York 13662 Town of Massena, St. Lawrence County |
| Estimated value of goods and services to be exempt from New York State and local sales and use tax: | \$300,000 |
| Estimated value of New York State and local sales and use tax exemption provided (8%): | LIMITED TO \$24,000 |

WHEREAS, pursuant to SLCIDA by Resolution #IDA-18-06-16, duly adopted by the SLCIDA on June 22, 2018, and Amended by Resolution #IDA-19-02-04 on February 21, 2019 the SLCIDA authorized the COMPANY to act as its agent for the purposes of undertaking a certain project, more fully described herein, subject to the COMPANY entering into this Agency Compliance Agreement:

| |
|--|
| <p>Project -</p> <ol style="list-style-type: none"> 1. Acquisition by the SLCIDA of a leasehold interest to approximately 2 acres of real property located at 21 Trade Road, Massena, New York, located within the Town & Village of Massena (the "Land"); 2. Construction and operation on the Land to include structures of approximately 3,600 SF to accommodate new equipment. 3. Space within the existing 20,000 SF building will be renovated to accommodate manufacturing, warehousing and office needs. (the "Improvements"); 4. Acquisition in and around the Land and Improvements and of certain items of equipment and other tangible personal property and equipment (the "Equipment", and collectively, with the Land and the Improvements, the "Facility"); and 5. Lease of the Facility to the Company pursuant to a straight-lease transaction as defined within the Act. |
|--|

WHEREAS, said appointment includes the following as it relates to any proposed acquisition, construction, renovation, equipping and completion of any buildings, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with

acquisition, construction, renovation 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, construction, renovation 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, entering into contracts and doing all things requisite and proper for completing the Facility;

WHEREAS, the Company has agreed with the SLCIDA, on behalf of the SLCIDA and as the SLCIDA's agent, to limit its activities as agent for the SLCIDA under the authority of the appointing resolution to acts reasonably related to the construction and equipping of the Facility in accordance with the Plans and Specifications set forth in the APPLICATION;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I: REPRESENTATIONS AND COVENANTS OF THE COMPANY and SLCIDA

Section 1.1 Representations and Covenants of Company. Company makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Company is a business corporation duly authorized to do business in the State of New York, is in good standing under the laws of the State of New York, and has full legal right, power and authority to execute, deliver and perform this Agreement. This Agreement has been duly authorized, executed and delivered by Company.

(b) To the best of Company's knowledge, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions hereof will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any law or ordinance of the State or any political subdivision thereof, Company's organizational documents, as amended, or any restriction or any agreement or instrument to which Company is a party or by which it is bound.

(c) Any and all leasehold improvements undertaken by Company with respect to the Facility and the design, construction, equipping and operation of the Facility will conform with all applicable zoning, planning, building and environmental laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility. The Company shall defend, indemnify and hold the SLCIDA harmless from any liability or expenses, including reasonable attorneys' fees, resulting from any failure by Company to comply with the provisions of this subsection.

(d) This Agreement constitutes a legal, valid and binding obligation of Company enforceable against Company in accordance with its terms.

(e) The SLCIDA hereby appoints and the Company hereby agrees to act on behalf of the SLCIDA, as its Agent, under the terms of this Agreement, to construct and equip the Facility in accordance with the Plans and Specifications.

ARTICLE II: SPECIAL COVENANTS

Section 2.1 No Warranty of Condition or Suitability by SLCIDA. The SLCIDA makes no warranty, either express or implied, as to the condition, design, operation, merchantability or fitness of, or title to, the Facility or that it is or will be suitable for Company's purposes or needs.

Section 2.2 Hold Harmless Provisions.

(a) Company agrees that the SLCIDA, its directors, members, officers, agents (except agents of the Company) and employees shall not be liable for, and agrees to defend, indemnify, release

and hold the SLCIDA, its directors, members, officers, agents (except agents of the Company) and employees 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, directly or indirectly, 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 of any Person or Property on, in or about the Facility or the Land, and (ii) liability arising from or expense incurred in connection with the SLCIDA's acquisition, construction, renovation, equipping and owning and leasing of the Facility, including, without limiting the generality of the foregoing, all claims arising from the breach by Company of any of its covenants contained herein, the exercise by Company of the authority conferred upon them pursuant to this Agreement and all causes of action and attorneys' fees (whether by reason of third party claims or by reason of the enforcement of any provision of this Agreement (including without limitation this Section) or any of the other documents delivered by the SLCIDA), and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the SLCIDA are not incurred and do not result from the gross negligence or intentional or willful wrongdoing of the SLCIDA or any of its directors, members, agents (except the Company and Company) or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence in part of the SLCIDA, or any of its members, directors, officers, agents or employees, and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability. The foregoing indemnities are limited only to the extent of any prohibitions imposed by law, and upon the application of any such prohibition by the final judgment or decision of a competent court of law, the remaining provisions of these indemnities shall remain in full force and effect.

(b) Notwithstanding any other provisions of this Agreement, the obligations of Company pursuant to this Section shall remain in full force and effect after the termination of this Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought, and the payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described and the payment of all expenses and charges incurred by the SLCIDA, or its members, directors, officers, agents and employees, relating to the enforcement of the provisions herein specified.

(c) In the event of any claim against the SLCIDA or its members, directors, officers, agents or employees by any employee or contractor of Company or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

Section 2.3 Right to Inspect Facility. The SLCIDA and its duly authorized agents shall have the right at all reasonable times to inspect the Facility.

Section 2.4 Qualification in State. Company, throughout the term of this Agreement, shall continue to be duly authorized to do business in the State.

Section 2.5 Appointment of Project Operator and Agents.

(a) Company, effective of the date hereof and until the SLCIDA consents in writing to a termination of this Agreement, shall accept authority to purchase on behalf of SLCIDA all materials to be incorporated into and made an integral part of the Facility, and the following activities as they relate to any construction, erection and completion of any building(s), whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (1) all purchases, leases, rentals and other uses of tools, machinery and equipment in

connection with construction and equipping, (2) all purchases, rentals, uses of consumption of supplies, materials, utilities and services of every kind and description used in connection with construction and equipping, and (3) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs), installed or placed in upon or under such building or facility, including all repairs and replacements of such property.

(b) The authority accepted by the Company on behalf of the SLCIDA as outlined in Section 2.5(a) is deemed also to be accepted by any other project operator or agent that the Company may duly appoint.

Section 2.6 Agreement to File Appointment of Project Operator Information (the ST-60). The effectiveness of an agency appointment by the SLCIDA is expressly conditioned upon the timely execution by the SLCIDA of New York State Department of Taxation and Finance “IDA Appointment of Project Operator or Agency for Sales Tax Purposes” (Form ST-60) for the SLCIDA’s Agent (the Company) and for each Agent as the Company chooses who provides materials, equipment, supplies or services (the “Authorized Agent(s)”). The ST-60 shall serve to evidence that the SLCIDA has appointed an Agent (the form of which to be completed by Company) and deliver said form to the SLCIDA. Company agrees that it will ensure that the Form ST-60 will be presented to the SLCIDA within twenty-one (21) days, to enable the SLCIDA to fully execute and deliver Form ST-60 to the State Department of Taxation and Finance within thirty (30) days of appointment. The ST-60 is not and cannot be used as an exemption document.

The Company acknowledges that the executed Form ST-60 is not and cannot serve as a sales or use tax exemption certificate or document. No copy of the executed Form ST-60 shall be tendered to any person required to collect sales tax as a basis to make such purchases exempt from tax. No such person required to collect sales or use taxes may accept the executed Form St-60 in lieu of collecting any tax required to be collected.

The Company acknowledges that the Civil and Criminal penalties for misuse by the Company of a copy of Form ST-60 as an exemption certificate or document or for failure to pay or collect tax shall be as provided in the Tax Law. In addition, the use by an Authorized Agent of such Form ST-60 as an exemption certificate or document shall be deemed to be, under Articles 28 and 37 of the Tax Law, the issuance of a false or fraudulent exemption certificate or document with the intent to evade tax.

Section 2.7. IDA Agent or Operator Exempt Purchase Certificate (the ST-123). The Company and its Authorized Agents (i.e. only those for whom forms ST-60 have been filed) shall utilize Form ST-123 “IDA Agent or Project Operator Exempt Purchase Certificate” to make purchases for the project exempt from state and local sales taxes as an agent of the SLCIDA. The Company and its Authorized Agents, by accepting this authority, understand and agree that misuse of the Form ST-123 may subject them to serious civil and criminal sanctions in addition to the payment of any tax and interest due. Contractors or subcontractors that are not agents of the SLCIDA shall utilize form ST-120.1, *Contractors Exempt Purchase Certificate*, when making project-related purchases that are exempt from sales tax under sections 111(a)(15) and 1115(a)(16) of the Tax Law.

Section 2.8 Agreement to File Annual Statements and Provide Information (including ST-340). On an annual basis beginning in the first year in which the financial assistance is conferred by the SLCIDA to the Company, through and until the end of the calendar year following the date of the termination of the project, 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 Sections 874(8) and (9) of the New York State General Municipal Law (Form ST-340). Company shall deliver a copy of such annual statement to the SLCIDA at the time of filing with the Department of Taxation and Finance. Company further agrees to deliver and certify or cause to be

delivered and certified whenever requested by the SLCIDA such information concerning Company, its finances, its operations, its employment and its affairs necessary to enable the SLCIDA to make any report required by law, governmental regulation or any of the SLCIDA documents. Such information shall be delivered within thirty (30) days following written request from the SLCIDA.

Section 2.9 Agreement to Convey Project Status. Should the project require modification, either by extending the project beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, the Company must provide the circumstances to the SLCIDA in writing within twenty-one (21) days of the change.

Section 2.10 Books of Record and Account; Financial Statements and Documents Retention.

(a) 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 transactions and events relating to the business and affairs of Company and any and all records relating to the sales and use tax exemptions claimed in connection with the Facility in compliance with this Agreement.

(b) The Company must retain for at least six (6) years from the date of expiration of its Contract copies of (i) this Agreement and (ii) all contracts, agreements, invoices, bill or purchases entered into or made by such Agent using Form ST-123 and to make all such records available to the SLCIDA upon reasonable notice. This provision shall survive the expiration or termination of this Agreement.

Section 2.11 Recovery Provisions. In compliance with General Municipal Law §875(3), the policies of the SLCIDA and the Resolution, the Company covenants and agrees that the SLCIDA shall recover, recapture, receive or otherwise obtain from the Company and to any other parties as the Company may designate, or other person or entity State Sales and Use Exemption benefits taken or purported to be taken by any such person to which the person is not entitled or which are in excess of the amounts authorized or which are for property or services not authorized or taken in cases where such agent or project operator, or other person or entity failed to comply with a material term or condition to use property or services in the manner required by the Company through this Agreement. The Company shall cooperate with the SLCIDA in its efforts to recover, recapture, receive or otherwise obtain such State Sales and Use Exemption benefits, and the Company shall promptly pay over any such amounts to the SLCIDA that SLCIDA demands in connection herewith. Failure to pay over such amounts to the SLCIDA shall be grounds for the New York State Commissioner of Taxation and Finance to assess and determine State Sales and Use taxes due as a result of this violation, together with any relevant penalties and interest due on such amounts. This provision shall survive the expiration or termination of this Agreement.

Section 2.12 Identification of Equipment. If any equipment is to or may become the Property of the SLCIDA pursuant to the provisions of this Agreement then such equipment shall be properly identified by Company by such appropriate records, including computerized records, as may be approved by the SLCIDA. All Equipment and other Property of whatever nature affixed or attached to the Land or used or to be used by Company in connection with the Facility shall be deemed presumptively to be owned by the SLCIDA, rather than Company, unless the same were utilized for purposes of construction of the Facility or were installed by Company and title thereto was retained by Company in a manner provided subsequent to any Lease Agreement and such Equipment and other Property were properly identified by such appropriate records as were approved by the SLCIDA.

Section 2.13 Depreciation Deductions and Investment Tax Credit. The parties agree that, as between them, Company shall be entitled to all depreciation deductions with respect to any depreciable property

comprising a part of the Facility and to any investment credit with respect to any part of the Facility.

Section 2.14 Aggregate Sales and Use Tax Exemption. Company agrees 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 **\$300,000**, and therefore, the value of New York State and local sales and use tax exemption authorized and approved by the SLCIDA, subject to the terms thereof, cannot under any circumstances exceed **\$24,000**. Benefits taken or purported to be taken by the Company or its Authorized Agents which are in excess of this amount shall be subject to the recovery provisions outlined in Section 2.11 herein.

Section 2.15 Expiration. The Agent Status created by this Agreement is limited to the Facility and will expire on **August 31, 2019**. Company may apply in writing to extend this agency authority by showing good cause. Benefits taken or purported to be taken by the Company or its Authorized Agents after this date shall be subject to the recovery provisions outlined in Section 2.11 herein.

Section 2.16 Disclosure. Pursuant to GML §875(7) this Agreement and related project documents shall be made available on the Internet and copies of same shall also be provided, without charge to any person who asks for it in writing or in person. Any information exempted from disclosure under Article 6 of the Public Officers Law, will be deleted.

Section 2.17 Execution of Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 2.18 Notices. All notices, certificates and other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, postage prepaid, return receipt requested, addressed as follows or to such other address as any party may specify in writing to the other:

To the SLCIDA:

St. Lawrence County
Industrial Development Agency
19 Commerce Lane, Suite 1
Canton, New York 13617
Attn: Patrick J. Kelly, Chief Executive Officer

With a copy to:

Silver and Collins, Attorneys at Law
44 Court Street
Canton, New York 13617
Attn: Andrew Silver, Esq.

To the Company:

AmTech Yarns, Inc.
21 Trade Road
Massena, New York 13662
attn. Robert Ariagno

IN WITNESS WHEREOF, the SLCIDA and Company have each caused this Agency Compliance Agreement to be executed in their respective names by affixing his signature thereto, or by duly authorized officers, all as of the date first above written.

For SLCIDA:

For AmTech Yarns, Inc.

By: _____
Name: Patrick J. Kelly
Title: Chief Executive Officer

By: _____
Name Robert Ariagno
Title: President

STATE OF NEW YORK)
) ss.:
COUNTY OF ST. LAWRENCE)

On the ____ day of **February, 2019** before me, personally appeared **Patrick Kelly**, Chief Executive Officer of the St. Lawrence County Industrial Development Agency, personally known to me or proved to me on the basis of satisfactory evidence to be the Company whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the Company, or the person upon behalf of which the Company acted, executed the instrument.

Notary Public, State of New York

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the ____ day of **February, 2019**, before me, personally appeared Robert Ariagno, President of AmTech Yarns, Inc. personally known to me or proved to me on the basis of satisfactory evidence to be the Company whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her capacity, and that by his/her signature on the instrument, the Company, or the person upon behalf of which the Company acted, executed the instrument.

Notary Public, State of New York