

## **PAYMENT IN LIEU OF TAXES AGREEMENT**

**THIS PAYMENT IN LIEU OF TAXES AGREEMENT** (this “Agreement”), made as of December 1, 2011, by and among 44 HARBOR PARK DRIVE, a limited liability company organized and existing under the laws of the State of New York, having an address at 615 South Street, Garden City, NY 11530 (the “Owner”), 615 SOUTH STREET, L.L.C., a limited liability company organized and existing under the laws of the State of New York, having an address at 615 South Street, Garden City, NY 11530 (the “Company” and together with the Owner, the “Obligors”), and the NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having an office at 1550 Franklin Avenue, Suite 235, Mineola, NY 11501 (the “Agency”). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Lease Agreement (as hereinafter defined).

### W I T N E S S E T H

**WHEREAS**, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

**WHEREAS**, the Agency on behalf of the Company intends to undertake a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in a certain parcel of land located at 44 Harbor Park Drive, Port Washington, Town of North Hempstead, County of Nassau, New York (Section: 6; Block: 089; Lots: 3/4) (collectively, the “Land”), which Land is more particularly described on Schedule A hereto, (2) the renovation of the existing building on the Land, together with related improvements to the Land (collectively, the “Building”), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the “Equipment”), all of the foregoing for use by Wangs Alliance Corporation, an affiliate of the Company (the “Sublessee”), as its global headquarters for sales, marketing, administration, and research & development, and as a warehouse and distribution center (collectively, the “Project Facility”); (B) the granting of certain “financial assistance” (within the

meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions or partial exemptions from real property taxes, sales and use taxes and mortgage recording taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Company or such other entity as may be designated by the Company and agreed upon by the Agency and the sublease thereof to the Sublessee; and

**WHEREAS**, the Company proposed that the Owner acquire fee title to the Premises (as hereinafter defined) on its behalf for purposes of consummating a so-called “reverse 1031 exchange” and the Agency has approved such proposal; and

**WHEREAS**, the Agency is or will be the holder of a leasehold interest in the Land and the Building (collectively, the “Facility”); and

**WHEREAS**, the Agency proposes to undertake the Project as an authorized project under the Act and to sublease its interest therein to the Company pursuant to a Sublease Agreement dated as of the date hereof between the Agency and the Company (as amended, modified, supplemented or restated from time to time, the “Lease Agreement”); and

**WHEREAS**, the payment and performance of the Company’s obligations under this Agreement shall be secured by a Mortgage and Assignment of Leases and Rents dated as of the date hereof (as amended, modified, supplemented or restated from time to time, the “PILOT Mortgage”) from the Owner and the Agency, as mortgagor, to the County of Nassau (the “PILOT Mortgage”), its successors and assigns, as mortgagee, pursuant to which the Agency and the Owner grant a first mortgage lien on the Facility to the PILOT Mortgagee; and

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

**NOW, THEREFORE**, in consideration of the premises and the payments, agreements, and covenants hereinafter contained, the Company, the Owner and the Agency covenant and mutually agree as follows:

Section 1. Tax-Exempt Status of Facility.

A. Application. (1) The Company shall complete, and the Agency shall file, an application for tax exemption pursuant to Section 412-a of the RPTL (the “Application”). The Application shall be filed with the assessor for each of the various taxing entities having jurisdiction over the Facility, including, without limitation, the County of Nassau (the “County”) and each city, town, village and school district within which the Facility is located (such taxing entities, and any successors thereto, being hereinafter collectively referred to as the “Taxing Entities” and each individually as a “Taxing Entity”). The Facility shall not be entitled to exempt status on the tax rolls of any Taxing Entity until the beginning of the first fiscal tax year of such Taxing Entity following the first taxable status date of such Taxing Entity occurring subsequent to the last to occur of (i) the Agency becoming the holder of a leasehold interest in the Facility, (ii) the filing by the Agency of the appropriate Application for tax exemption, and

(iii) the acceptance of such Application by the appropriate tax assessor(s) (such date, the “PILOT Commencement Date”).

(2) The Obligors hereby waive any claim or cause of action against the Agency, and releases the Agency from any liability to the Obligors, arising from any denial of an exemption from real property taxes and assessments, except to the extent that such denial results solely from the willful failure of the Agency, after demand by the Company, to file the completed Application for tax exemption as set forth in this Agreement.

B. Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the General Municipal Law of the State of New York and Section 412-a of the RPTL may not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement and the other Transaction Documents, the Obligors will be required to pay all special assessments and special ad valorem levies levied and/or assessed against or with respect to the Facility, subject to Section 2(B)(3) hereof.

C. Other Charges. If any taxes, assessments, service charges or other governmental charges become payable by the Company, the Owner or the Agency on the Facility or the rental paid pursuant to the Lease Agreement or the occupancy of or any interest of the Company, the Owner or the Agency in the Facility or any part thereof or any personal property used in connection with the business conducted and located therein, the amount of any such taxes, assessments or charges shall be paid by the Obligors as and when due. Furthermore, water charges, sewer rentals, sewage treatment charges, solid waste charges and any other charges in the nature of utility charges shall be paid as and when due directly by the Obligors and shall not be credited against nor be affected in any manner by any payment in lieu of real property taxes and assessments in any year and shall be computed pursuant to the formula adopted by the relevant Taxing Entity.

Section 2. Payments.

A. Tax Payments. Prior to the PILOT Commencement Date, the applicable real property taxes and assessments levied and/or assessed against or with respect to the Facility shall be payable in full by the Obligors to the applicable Taxing Entity as if the Agency were not the holder of a leasehold interest in the Facility or otherwise involved in the Project.

B. PILOT Payments. (1) From the PILOT Commencement Date through and including the last day of the fifteenth (15th) fiscal tax year thereafter (such date, the “Abatement Expiration Date”), the Obligors shall make payments in lieu of real property taxes and assessments levied and/or assessed by the Taxing Entities against the Facility (collectively, the “PILOT Payments”) as follows, subject to the provisions of Section 2(B)(3) hereof:

1	for the fiscal tax year commencing on the PILOT Commencement Date	\$534,691
2	for the fiscal tax year commencing on the 1st anniversary of the PILOT Commencement Date	\$534,691

3	for the fiscal tax year commencing on the 2nd anniversary of the PILOT Commencement Date	\$534,691
4	for the fiscal tax year commencing on the 3rd anniversary of the PILOT Commencement Date	\$534,691
5	for the fiscal tax year commencing on the 4th anniversary of the PILOT Commencement Date	\$534,691
6	for the fiscal tax year commencing on the 5th anniversary of the PILOT Commencement Date	\$534,691
7	for the fiscal tax year commencing on the 6th anniversary of the PILOT Commencement Date	\$534,691
8	for the fiscal tax year commencing on the 7th anniversary of the PILOT Commencement Date	\$534,691
9	for the fiscal tax year commencing on the 8th anniversary of the PILOT Commencement Date	\$550,732
10	for the fiscal tax year commencing on the 9th anniversary of the PILOT Commencement Date	\$567,254
11	for the fiscal tax year commencing on the 10th anniversary of the PILOT Commencement Date	\$584,257
12	for the fiscal tax year commencing on the 11th anniversary of the PILOT Commencement Date	\$601,795
13	for the fiscal tax year commencing on the 12th anniversary of the PILOT Commencement Date	\$619,867
14	for the fiscal tax year commencing on the 13th anniversary of the PILOT Commencement Date	\$638,475
15	for the fiscal tax year commencing on the 14th anniversary of the PILOT Commencement Date	\$657,616

(2) From and after the Abatement Expiration Date, and until the Agency’s interest in and to the Facility is conveyed to the Company pursuant to the terms of the Lease Agreement and the Facility has been returned to the tax rolls as fully taxable property, the Obligors shall make PILOT Payments (defined in Section 2 hereof) equal to one hundred percent (100%) of the amount of real property taxes and assessments that would have been levied and/or assessed against or with respect to the Facility as if the Facility were owned by the Company or the Owner and the Agency were not otherwise involved in the Project.

“PILOT Obligations” shall mean all amounts required to be paid by the Obligors under this Agreement, including, without limitation, those amounts set forth in Sections 2.A and 2.B hereof.

(3) Any provision of this Agreement to the contrary notwithstanding, the amount of PILOT Payments set forth in Section 2(B)(1) hereof for each fiscal tax year from the PILOT Commencement Date through the Abatement Expiration Date, shall be reduced (but not below \$0) by the amount, if any, of special assessments and special ad valorem levies assessed against or levied upon the Facility for such fiscal tax year (collectively, “Special Assessments”), whether by the Nassau County Tax Assessor’s Office or otherwise, which Special Assessments would otherwise be payable by the Obligors pursuant to this Agreement. The amount of any such reduction of a PILOT Payment shall be set forth on the applicable

PILOT bill issued with respect to such fiscal tax year, if any, but the failure of the Obligor to receive such bill shall in no event affect such Obligor's obligation to pay such PILOT Payment. In the event that (i) the amount of Special Assessments for a particular fiscal tax year exceeds the amount of the PILOT Payment for such fiscal tax year (such excess is hereinafter referred to as an "SA Credit"), or (ii) the amount of PILOT Payments for a particular fiscal tax year are not reduced by the amount of Special Assessments for such fiscal tax year (the amount of such Special Assessments is hereinafter referred to as an "SA Reduction"), then the amount of such SA Credit or SA Reduction, as the case may be, shall be carried over as a credit for the following fiscal tax year(s); provided, however, that if there is an unused SA Credit at the end of the term of the PILOT Payments hereunder, then the Obligor shall not be entitled to (a) take such SA Credit against any further payments hereunder or against real property taxes assessed against the Facility, or (b) an extension of the term of this Agreement.

C. Payments. (1) Amounts due and payable under this Agreement shall be payable to the Treasurer of the County of Nassau (the "Treasurer"), 240 Old Country Road, 3<sup>rd</sup> floor, Mineola, NY 11501, or at such other address as the Treasurer may notify the Obligor of in writing.

(2) All PILOT Payments hereunder shall be allocated among the affected tax jurisdictions in proportion to the amount of real property and other taxes and assessments that would have been received by each Taxing Entity had the Project not been tax exempt due to the status of the Agency.

D. Due Dates; Interest; and Penalties. (1) The Obligor may be billed for PILOT Payments as if the Facility were on the tax rolls at the time when taxes for each Taxing Entity are due.

(2) If any payment required under this Agreement is not made on or before the due date thereof, such payment shall be delinquent and the Obligor shall pay a late charge equal to the greater of (a) five (5%) percent of the payment, and for each month, or part thereof, that the payment is delinquent beyond the first month, the Obligor shall pay an additional late charge equal to one (1%) percent per month of the total amount payable; and (b) the late charge applicable from time to time to real property tax levies and assessments that are not paid when due.

(3) Anything contained in this subparagraph to the contrary notwithstanding, the Obligor shall have the obligation to make all payments of PILOT Obligations (other than payments of penalties, if any), in two equal semi-annual installments on or prior to the date which is five (5) Business Days prior to January 1 and July 1 for the General Tax portion of the PILOT Obligations and April 1 and October 1 for the School Tax portion of the PILOT Obligations, as applicable, of each year of the term of the Lease Agreement or on such other due dates as may be established by the Agency or the Treasurer from time to time during the term of the Lease Agreement.

E. Partial Sale; Transferee's Obligation; Apportionment of Reduction to Local Taxing Entities. During the term of this Agreement, in the event that the Facility, or any portion thereof or interest therein, is sold, transferred, assigned or otherwise disposed of by the

Agency, the transferees thereof will thereafter pay the real property taxes and assessments on such Land and the Building and any Additional Facilities (as hereinafter defined) located on the Land, or on such portion of the Land, that was sold, transferred, assigned or otherwise disposed of, as may be required by applicable law.

F. Sale; Obligors' Obligation. In the event that the Agency sells, transfers, assigns or otherwise disposes of its interest in the Facility to any party other than the Company, the Obligors' obligation for PILOT Obligations shall be prorated to the date of the closing of the transaction and thereupon all obligations of the Obligors for payment of PILOT Obligations shall cease, but the Agency shall take such steps with the transferee or assignee other than the Obligors to assure that each of the Taxing Entities shall suffer no loss of revenue until the Facility can be placed back on the tax rolls as fully taxable real property and taxes levied and billed therefor.

Section 3. Effective Date: Duration of Agreement. This Agreement shall become effective upon the execution and delivery of the Lease Agreement by the Company and the Agency and this Agreement by the Obligors and the Agency and the execution and delivery of the Company Lease from the Owner to the Agency and shall continue in effect until the earlier of (i) the termination of this Agreement pursuant to the terms of the Lease Agreement or of this Agreement, or (ii) the date on which the Company Lease and the Lease Agreement are terminated pursuant to the Lease Agreement or this Agreement and the Facility has been placed back on the tax rolls as taxable property.

Section 4. Events of Default. The following shall constitute an "Event of Default" under this Agreement:

A. Failure by the Obligors to make any payment specified herein and the continuance of such failure for a period of fifteen (15) days after receipt by the Obligors of written notice from the Agency, the County and/or any Taxing Entity.

B. Failure by the Obligors to comply with or perform any provision of this Agreement other than the payment provisions hereof and the continuance of such failure for a period of thirty (30) days after receipt by the Obligors of written notice thereof from the Agency or, if such default is capable of being cured but cannot be cured within such thirty (30) day period, the failure of the Obligors to commence to cure such default within such thirty (30) day period and to prosecute such cure to completion, provided in no event shall such cure period exceed sixty (60) days.

C. An Event of Default under the Company Lease, the Lease Agreement or any other agreement between the Agency and the Company or the Owner.

If the Obligors fail to make any payments pursuant to this Agreement when due, the amount or amounts so in default shall continue as an obligation of the Obligors until fully paid.

Upon the occurrence and during the continuance of an Event of Default hereunder, the Obligors shall be required to make PILOT Payments as if the Facility were owned by the Company or the Owner and the Agency was not otherwise involved in the Project, such

amounts to commence to be paid for the period subsequent to the date it is determined by the Agency that there is an Event of Default hereunder. In such event, the tax rate, interest and penalties shall be those then in effect in the Taxing Entities in which the Facility is located.

Upon the occurrence and continuance of an Event of Default hereunder, the Agency shall be entitled to sue to enforce any provision of this Agreement and to recover the payments of PILOT Obligations in default from the Obligors, together with all the costs and expenses of the Agency, its successors or assigns, paid or incurred in such recovery (including court costs and attorneys' fees and expenses) and interest at the rate charged by the respective Taxing Entities on overdue payments of taxes. In addition, the Agency shall have the right to terminate the Company Lease and the Lease Agreement at any time, and the Obligors shall accept such termination.

The Agency, in enforcing payment by the Obligors of the PILOT Obligations, may take whatever action and exercise any or all of the rights and remedies specified in this Agreement or any other remedy provided by law.

Each and every Event of Default shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. Further, no payment by the Agency or receipt by the Agency or a Taxing Entity of a lesser amount than the correct amount or manner of payment due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction, and the Agency and/or any Taxing Entity may accept any check or payment as made without prejudice to the right to recover the balance or pursue any other remedy in this Agreement or otherwise provided at law or in equity.

In no event shall the Agency be liable to any of the Taxing Entities for the payments specified herein, whether or not the Obligors make such payments. The Obligors hereby agree to indemnify, defend (with counsel selected by the Agency) and hold harmless the Agency and its officers, members, agents (other than the Company), attorneys, servants and employees, past, present and future, against any such liability for such payments and against all penalties, interest, and other charges resulting from the delinquency of such payments.

The Agency and the Obligors hereby acknowledge the right of the County, as beneficiary of this Agreement (on behalf of itself and all other Taxing Entities), to pursue any appropriate remedies, including an action or proceeding in the courts, to recover directly from the Obligors any payments of PILOT Obligations in default hereunder and/or to exercise its rights and remedies under the PILOT Mortgage. The Obligors shall promptly notify the Agency of any action or proceeding brought, or other measure taken, by a Taxing Entity to recover such payments in default hereunder. It is understood that the right of any Taxing Entity herein acknowledged is in addition to, and shall not impair, the Agency's own rights arising from a breach of this Agreement.

In the event that title to the Facility is conveyed by the Company or the Owner to any other party prior to expiration of the term of the Lease Agreement, this Agreement shall become null and void and any remaining tax abatement hereunder shall be canceled.

Section 5. Additional Facilities. If any structural additions or change in use shall be made to the buildings or other improvements included in the Facility subsequent to the date hereof (other than the initial changes contemplated as part of the Project), or if any additional buildings or improvements shall be constructed on the Land (other than the initial renovations contemplated as part of the Project) (such change of use, structural additions, buildings and improvements being referred to hereinafter as “Additional Facilities”), the Obligors agree to increase its PILOT Obligations hereunder in an amount, as determined by the Agency or a tax assessor selected by the Agency, equal to the increased tax payments, if any, that would have been payable on such increase if this Agreement were not in effect. Nothing herein shall constitute the Agency’s consent to the construction of any such additions or additional buildings or improvements or to such change of use.

Section 6. Change of Law. In the event the Facility, or any part thereof, is declared to be subject to taxation for real property taxes or assessments by an amendment to the Act, other legislative change or a final judgment of a court of competent jurisdiction, the obligations of the Obligors hereunder shall, to such extent, be null and void.

Section 7. Waiver of Tax Exemption. The Obligors, in recognition of the benefits provided under this Agreement, and for so long as the Lease Agreement is in effect, hereby expressly waive any rights they may have for any exemption under Section 485-b of the RPTL or any other exemption under any other law or regulation (except, however, for the exemption provided under Article 18-A of the General Municipal Law) with respect to the Facility.

The Obligors, in recognition of the benefits provided under this Agreement and the Lease Agreement, hereby expressly waive the right to institute judicial or other review of an assessment of the real property with respect to the Facility, whether pursuant to the provisions of Article 7 of the RPTL or other applicable law, as the same may be amended from time to time; provided, however, that the Obligors shall have the right to institute such review of the assessment with respect to Years 13, 14 and 15 of the term of this Agreement. In addition, the Obligors hereby represent and warrant that they have stipulated to the discontinuance (with prejudice) of all pending tax certiorari proceedings, if any, with respect to the Facility on or before the date hereof.

Section 8. Delivery of PILOT Statement. The Company shall deliver to the Comptroller of the County of Nassau, on or before the dates set forth for payment of the PILOT Obligations in Section 2 hereof, in each year during the term of the Lease Agreement, a verified statement setting forth the amount of such payments and the dates of such payments.

Section 9. Limited Obligation. The obligations, covenants and agreements of the Agency hereunder shall not constitute or give rise to an obligation of the State of New York, the County or any city, town, village or school district within which the Facility is located and neither the State of New York, the County nor any such city, town, village or school district shall



be liable thereon, and further, such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency.

Section 10. No Waiver. Failure by the Agency in any instance to insist upon the strict performance of any one or more of the obligations of the Obligors under this Agreement, or to exercise any election herein contained, shall in no manner be or be deemed to be a waiver by the Agency of any of the Obligors' defaults or breaches hereunder or of any of the rights and remedies of the Agency by reason of such defaults or breaches, or a waiver or relinquishment of any and all of the Obligors' obligations hereunder. No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing. Further, no payment by the Obligors or receipt by the Agency of a lesser amount than the correct amount or manner of payment due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction, and the Agency may accept any check or payments as made without prejudice to the right to recover the balance or pursue any other remedy in this Agreement or otherwise provided at law or in equity.

Section 11. Notices.

A. All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given on the earlier of (1) three (3) Business Days after being sent to the applicable address stated below by registered or certified mail, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) the date on which delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

B. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

To the Agency:

Nassau County Industrial Development Agency  
1550 Franklin Avenue, Suite 235  
Mineola, NY 11501  
Attention: Joseph J. Kearney, Executive Director

With a courtesy copy to:

Phillips Lytle LLP  
1305 Franklin Avenue, 2nd floor  
Garden City, NY 11530  
Attention: Paul V. O'Brien, Esq.

To the Company & the Owner:

615 South Street, L.L.C.  
44 Harbor Park Drive LLC

615 South Street  
Garden City, NY 11530  
Attention: Tony Wang

With a courtesy copy to:

Sahn Ward Coschignano & Baker, PLLC  
333 Earle Ovington Boulevard, Suite 501  
Uniondale, NY 11553  
Attention: Chris Coschignano, Esq.

Section 12. Change of Address. The Agency or the Obligors may, by notice given hereunder to each other, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

Section 13. Assignment of Agreement. This Agreement shall be binding upon the successors and permitted assigns of the Obligors but no assignment shall be effective to relieve the Obligors of any of their obligations hereunder unless expressly authorized and approved in writing by the Agency.

Section 14. Independent Agreement. Notwithstanding any other provision of this Agreement, including the recitals hereof, the parties agree that the Lease Agreement executed between the parties thereto shall be a separate and independent document from this Agreement, and irrespective of whether any provision of this Agreement or the entirety hereof shall be held invalid or unenforceable by any court of competent jurisdiction, the Lease Agreement shall be construed, interpreted, and otherwise regarded separate and apart from this Agreement. The parties hereto specifically note that the considerations and terms provided for in this Agreement and provided for in the Lease Agreement are the only considerations and terms for which the parties thereto have executed this Agreement.

Section 15. Invalidity. If any one or more phrases, sentences, clauses or provisions of this Agreement or the entirety hereof shall be declared invalid or unenforceable by any order, decree or judgment of any court of competent jurisdiction, then such phrase, sentence, clause or provision or the entirety of this Agreement shall be deemed to be reformed in such manner as shall be determined by such court, or in the absence of such a determination then in the reasonable judgment of the Agency, to render such phrase, sentence, clause or provision of this Agreement valid and enforceable under applicable law. The parties hereto agree to enter into such documents, agreements and instruments as the Agency reasonably determines are necessary to effect any such reformation. In the event that any one more of the phrases, sentences, clauses or provisions of this Agreement cannot be reformed to comply with applicable law, then this Agreement shall be construed as if such phrase, sentence, clause or paragraph had not appeared in this Agreement.

Section 16. Amendments. This Agreement may not be modified, amended, supplemented, or changed without the written consent of the Agency and the Obligors.

Section 17. Prior Agreements. This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, whether written or oral, among the parties with respect to the subject matter hereof.

Section 18. Delivery of Agreement. The Agency covenants to use reasonable efforts to deliver to each Taxing Entity a copy of this Agreement within fifteen (15) days after its execution.

Section 19. 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 20. Service of Process; Consent to Jurisdiction; Forum.

A. The Obligors represents that they are subject to service of process in the State of New York and covenant that they will remain so subject so long as the Lease Agreement shall be in effect. If for any reason an Obligor should cease to be so subject to service of process in the State of New York, such Obligor hereby designates and appoints, without power of revocation, Christopher Coschignano, Esq., Sahn Ward Coschignano & Baker, PLLC, 333 Earle Ovington Boulevard, Suite 601, Uniondale, NY 11553, as agent for service of process, and if such agent shall cease to act or otherwise cease to be subject to service of process in the State of New York, the Secretary of State of the State of New York, as the agents of such Obligor upon whom may be served all process, pleadings, notices or other papers which may be served upon such Obligor as a result of any of its obligations under this Agreement; provided, however, that the serving of such process, pleadings, notices or other papers shall not constitute a condition to the Obligor's obligations hereunder.

B. The Obligors irrevocably and unconditionally (1) agree that any suit, action or other legal proceeding arising out of this Agreement or the other Transaction Documents may be brought in the courts of record of the State of New York in Nassau County or the courts of the United States, Eastern District of New York; (2) consent to the jurisdiction of each such court in any such suit, action or proceeding; and (3) waive any objection which it may have to the laying of venue of any such suit, action or proceeding in any of such courts. For such time as the Lease Agreement is in effect, the Obligors' agents designated above shall accept and acknowledge in the Obligors' behalf service of any and all process in any such suit, action or proceeding brought in any such court. The Obligors agree and consent that any such service of process upon such agents and written notice of such service to the Obligors in the manner set forth in Section 11 hereof shall be taken and held to be valid personal service upon the Obligors whether or not the Obligors shall then be doing, or at any time shall have done, business within the State of New York and that any such service of process shall be of the same force and validity as if service were made upon the Obligors according to the laws governing the validity and requirements of such service in the State of New York, and waives all claim of error by reason of any such service. Such agents shall not have any power or authority to enter into any appearance or to file any pleadings in connection with any suit, action or other legal proceedings against the Obligors or to conduct the defense of any such suit, action or any other legal proceeding except as expressly authorized by the Obligors.

Section 21. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, as the same may be in effect from time to time, without regard to principles of conflicts of laws.

Section 22. Nature of Obligations. This Agreement shall remain in full force and effect until each and every one of the PILOT Obligations shall have been irrevocably paid in full and all other obligations of the Obligor under this Agreement shall have been paid and performed in full.

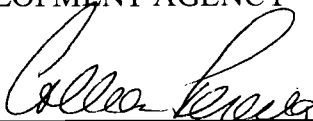
The obligations of the Obligor under this Agreement shall be joint and several.

Section 23. Indemnification. The Obligor agree to indemnify, defend (with counsel selected by the Agency) and hold harmless the Agency and its officers, members, agents (other than the Company), attorneys, servants and employees, past, present and future, against any liability arising from any default by the Obligor in performing their respective obligations hereunder or any expense incurred hereunder, including, without limitation, any expenses of the Agency and attorneys' fees and expenses.

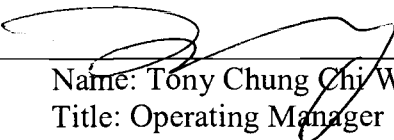
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By   
Name: Colleen Pereira  
Title: Administrative Director

615 SOUTH STREET, L.L.C.

By   
Name: Tony Chung Chi Wang  
Title: Operating Manager

44 HARBOR PARK DRIVE LLC

By: REVERSE EXCHANGE  
SERVICES, INC., its sole Member

By \_\_\_\_\_  
Name: Max A. Hansen  
Title: President

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

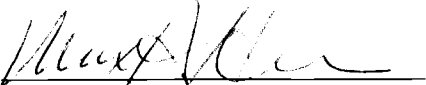
By \_\_\_\_\_  
Name: Colleen Pereira  
Title: Administrative Director

615 SOUTH STREET, L.L.C.

By \_\_\_\_\_  
Name: Tony Chung Chi Wang  
Title: Operating Manager

44 HARBOR PARK DRIVE LLC

By: REVERSE EXCHANGE  
SERVICES, INC., its sole Member

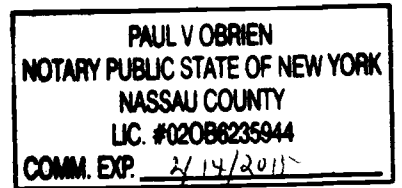
By  \_\_\_\_\_  
Name: Max A. Hansen  
Title: President

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

On the 15th day of December, in the year 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Colleen Pereira, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual executed the instrument.



Notary Public

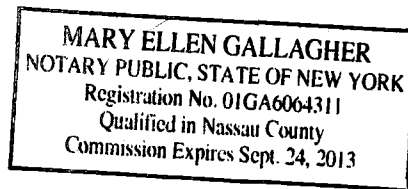


STATE OF NEW YORK     )  
  : ss.:  
COUNTY OF NASSAU     )

On the 19th day of December, in the year 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Tony Chung Chi Wang, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual executed the instrument.



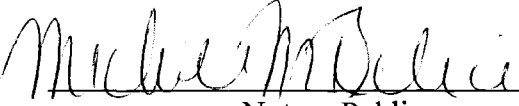
Notary Public

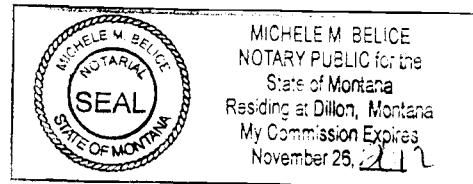


STATE OF MONTANA )

COUNTY OF Beaverhead ) : ss.:

On the 15 th day of December, in the year 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Max A. Hansen, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual executed the instrument, and that such individual made such appearance before the undersigned in the City of Dillon, Montana.

  
\_\_\_\_\_  
Notary Public





## SCHEDULE A

### DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being at Port Washington, Town of North Hempstead, County of Nassau and State of New York, known and designated as Lots 3 and 4 in Block 89 as shown on a certain map entitled, "Map of Hempstead, Harbor Industrial Park, Section 3, Port Washington, Town of North Hempstead, Nassau County, New York, April 1973, Bohn & Bonacci, P.C., successor to J.J. Bohn, L.S.," and filed in the Office of the Clerk of the County of Nassau on 12/22/77, as Map No. 8713, which said lots are bounded and described as follows:

BEGINNING at a point on the northeasterly side of Harbor Park Drive, distant 296.72 feet northwesterly from the extreme northwesterly end of the arc of a curve connecting the northeasterly side of Harbor Park Drive with the westerly side of Roslyn West Shore Drive;

RUNNING THENCE northwesterly along the northeasterly side of Harbor Park Drive, the following four (4) courses and distances:

1. along the arc of a curve bearing to the left, having a radius of 479.43 feet, a distance along the arc of said curve of 4.52 feet;
2. north 54 degrees 41 minutes 04 seconds west, 141.90 feet;
3. along the arc of a curve bearing to the left, having a radius of 449.75 feet a distance along the arc of said curve of 383.60 feet;
4. south 76 degrees 26 minutes 48 seconds west, 54.00 feet;

THENCE north 13 degrees 33 minutes 12 seconds west, 436.69 feet to land of McCormick Sand & Gravel Co., Inc.

THENCE north 75 degrees 02 minutes 41 seconds east, along the aforesaid land, 656.67 feet;

THENCE south 0 degrees 24 minutes 38 seconds east, 736.22 feet to the northeasterly side of Harbor Park Drive, the point or place of BEGINNING.