PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT (this "Agreement"), made as of October 1, 2011, by and between NASSAU STEEL, LLC, a limited liability company organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign limited liability company, having an address at 700 Hicksville Road, Bethpage, NY 11714 (the "Company"), 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 or interests in an approximately 85.50 acre parcel of land located at 999 South Oyster Bay Road, Bethpage, Town of Oyster Bay, County of Nassau, New York (Section: 46; Block: G; Lot: 98) (collectively, the "Land"), which Land is more particularly described on Schedule "A" attached hereto, (2) the repair and restoration of the base building systems and infrastructure of the existing approximately 1,200,000 square foot building complex on the Land (collectively, the "Building"), which is limited to repairs of roofing, flooring, electrical and plumbing components and asbestos compliance work, together with related infrastructure improvements to the Land, all to bring the Building into compliance with building code regulations; and (3) consistent with item (2) above, the acquisition and installation therein and thereon of certain fixtures, machinery and equipment related to the repair and restoration of the Building and related improvements to the Land (the "Equipment" and together with the Land and the Building, 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 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

WHEREAS, the Agency is or will be the holder of a leasehold interest in the Land and the Building (collectively, the "Facility") pursuant to the Company Lease Agreement dated as of the date hereof between the Company and the Agency (as amended, modified, supplemented or restated from time to time, the "Company Lease"); and

WHEREAS, the Agency proposes to undertake the Project as an authorized project under the Act and to sublease its interest in the Facility 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 Company and the Agency, as mortgagor, to the County of Nassau (the "PILOT Mortgagee"), its successors and assigns, as mortgagee, pursuant to which the Agency and the Company 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 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 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 Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, 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, the Company 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 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 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 Company 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 Company 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 Company 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. (a) From the PILOT Commencement Date through and including the last day of the fortieth (40th) fiscal tax year thereafter (such date, the "Abatement Expiration Date"), the Company 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:	$0
2. for the fiscal tax year commencing on the 1st anniversary of the PILOT Commencement Date	$0
3. for the fiscal tax year commencing on the 2nd anniversary of the PILOT	$0

	Commencement Date		
4.	for the fiscal tax year commencing on the 3rd anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $100,000
5.	for the fiscal tax year commencing on the 4th anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $102,000
6.	for the fiscal tax year commencing on the 5th anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $104,040
7.	for the fiscal tax year commencing on the 6th anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $106,121
8.	for the fiscal tax year commencing on the 7th anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $108,243
9.	for the fiscal tax year commencing on the 8th anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $110,408
10.	for the fiscal tax year commencing on the 9th anniversary of the PILOT Commencement Date	the greater of 5% of Gross Income	or $112,616
11.	for the fiscal tax year commencing on the 10th anniversary of the PILOT Commencement Date	the greater of 7.5% of Gross Income	or $114,869
12.	for the fiscal tax year commencing on the 11th anniversary of the PILOT Commencement Date	the greater of 7.5% of Gross Income	or $117,166
13.	for the fiscal tax year commencing on the 12th anniversary of the PILOT Commencement Date	the greater of 7.5% of Gross Income	or $119,509
14.	for the fiscal tax year commencing on the 13th anniversary of the PILOT Commencement Date	the greater of 7.5% of Gross Income	or $121,899
15.	for the fiscal tax year commencing on the 14th anniversary of the PILOT Commencement Date	the greater of 7.5% of Gross Income	or $124,337
16.	for the fiscal tax year commencing on the 15th anniversary of the PILOT Commencement Date	the greater of 10% of Gross Income	or $126,824
17.	for the fiscal tax year commencing on the 16th anniversary of the PILOT Commencement Date	the greater of 10% of Gross Income	or $129,361
18.	for the fiscal tax year commencing on the 17th anniversary of the PILOT Commencement Date	the greater of 10% of Gross Income	or $131,948

19. for the fiscal tax year commencing on the 18th anniversary of the PILOT Commencement Date	the greater of 10% of Gross Income	or $134,587
20. for the fiscal tax year commencing on the 19th anniversary of the PILOT Commencement Date	the greater of 10% of Gross Income	or $137,279
21. for the fiscal tax year commencing on the 20th anniversary of the PILOT Commencement Date	the greater of 12.5% of Gross Income	or $140,024
22. for the fiscal tax year commencing on the 21st anniversary of the PILOT Commencement Date	the greater of 12.5% of Gross Income	or $142,825
23. for the fiscal tax year commencing on the 22nd anniversary of the PILOT Commencement Date	the greater of 12.5% of Gross Income	or $145,681
24. for the fiscal tax year commencing on the 23rd anniversary of the PILOT Commencement Date	the greater of 12.5% of Gross Income	or $148,595
25. for the fiscal tax year commencing on the 24th anniversary of the PILOT Commencement Date	the greater of 12.5% of Gross Income	or $151,567
26. for the fiscal tax year commencing on the 25th anniversary of the PILOT Commencement Date	the greater of 15% of Gross Income	or $154,598
27. for the fiscal tax year commencing on the 26th anniversary of the PILOT Commencement Date	the greater of 15% of Gross Income	or $157,690
28. for the fiscal tax year commencing on the 27th anniversary of the PILOT Commencement Date	the greater of 15% of Gross Income	or $160,844
29. for the fiscal tax year commencing on the 28th anniversary of the PILOT Commencement Date	the greater of 15% of Gross Income	or $164,061
30. for the fiscal tax year commencing on the 29th anniversary of the PILOT Commencement Date	the greater of 15% of Gross Income	or $167,342
31. for the fiscal tax year commencing on the 30th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income	or $170,689
32. for the fiscal tax year commencing on the 31st anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income	or $174,102
33. for the fiscal tax year commencing on the 32nd anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income	or $177,584
34. for the fiscal tax year commencing on the	the greater of 17.5% of Gross Income	or $181,136

	33rd anniversary of the PILOT Commencement Date	
35.	for the fiscal tax year commencing on the 34th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income or $184,759
36.	for the fiscal tax year commencing on the 35th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income or $188,454
37.	for the fiscal tax year commencing on the 36th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income or $192,223
38.	for the fiscal tax year commencing on the 37th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income or $196,068
39.	for the fiscal tax year commencing on the 38th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income or $199,989
40.	for the fiscal tax year commencing on the 39th anniversary of the PILOT Commencement Date	the greater of 17.5% of Gross Income or $203,989

"Gross Income" means all rents, issues, profits, royalties (including all oil and gas or other hydrocarbon substances), earnings, receipts, revenues (including, without limitation, operating revenues and non-operating revenues determined in accordance with generally accepted accounting principles), accounts, accounts receivable, contract rights, chattel paper, general intangibles, instruments or other rights, security deposits and other deposits (if, as and when retained or applied by the Company) and all other income paid to or received by the Company, any Principal of the Company and/or any Related Party (collectively, the "Company Parties") as a result of or in connection with the ownership, use, possession, occupancy, maintenance or operation of any portion of the Facility, and all proceeds and products of any of the foregoing, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired, as a result of or in connection with any ownership, use, possession, occupancy, maintenance or operation of any portion of the Facility and/or services rendered, goods provided and business conducted in connection therewith, including, without limitation, fixed, additional and percentage rents, and all operating expense reimbursements, reimbursements for increases in taxes (or payments-in-lieu thereof), sums paid by tenants to reimburse or compensate the Company Parties for amounts originally paid or to be paid by the Company Parties for which such tenants were liable, such as, for example, the value of any tenant work letter and tenant improvements costs in excess of any work letter, lease takeover costs, moving expenses and tax and operating expense pass-throughs for which a tenant is liable, parking, maintenance, common area maintenance, tax, insurance, service charges and contributions, proceeds of business interruption, rental or similar insurance, proceeds of sale of electricity, gas heating, air-conditioning and other utilities and services that a tenant must procure from contractors specified by Company Parties, deficiency rents and liquidated damages, and other benefits now or hereafter derived from any portion of the Facility or otherwise paid to or received by a Company Party as a result of any ownership, use, possession, occupancy, maintenance or operation thereof and/or services rendered, goods provided and business conducted in connection therewith (including any payments received pursuant to Section 502(b) of the Bankruptcy Code or otherwise in arrangement, insolvency, dissolution, receivership or similar proceedings, or any assignment for the benefit of creditors, in respect of any tenant or other occupants of any portion of the Facility and all claims as a creditor in connection with any of the foregoing) and all retained cash or security deposits, advance rentals, and all retained deposits or payments of a similar nature relating thereto, now or hereafter, including during any period of redemption, derived from the Facility or any portion thereof and all proceeds from the cancellation, surrender, sale or other disposition of any lease or other occupancy arrangement with respect to the Facility or any part thereof; provided, however, excluded from Gross Income shall be (i) the Company's actual cost of tenant utilities (i.e., gas, steam, electricity and/or water) included in a tenant's rent and not separately billed to and paid by a tenant to a utility company, and (ii) amounts paid to third parties (i.e., unrelated to Company Parties) by a Company Party on behalf of a tenant for furniture and equipment customarily purchased or leased by and paid for by tenants and included in a tenant's rent and not separately billed to and paid by a tenant to the provider thereof.

A "Principal" shall mean a Person (or an immediate family member of a Person) who owns, either directly or indirectly, at least five percent (5%) of the voting stock or other equity interest of the Company. An "Affiliate" of a Person shall mean a Person (or an immediate family member of a Person) who directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, such Person. The term "control" means (i) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, or (ii) the ownership, either directly or indirectly, of at least five percent (5%) of the voting stock or other equity interest of such Person. For purposes of the foregoing, an "immediate family member" shall mean a parent, grandparent, sibling, child or grandchild of a Person.

(b) The form of tenant lease to be approved by the Agency pursuant to Section 9.3 of the Lease Agreement in connection with a proposed leasing transaction must contain provisions consistent with the foregoing requirement that the Company provide all customary services and improvements. However, (1) subject to the provisions of the Lease Agreement, a Sublessee may make its own improvements to its leased space (i.e., through third parties/contractors unrelated to Company Parties) (hereinafter, "Tenant Controlled Improvements"), either prior to its occupancy or at any time during the term of its Sublease Agreement, and in such event any such Tenant Controlled Improvements (excluding furniture and equipment) shall be converted to "Gross Income" for PILOT Payment calculation purposes as follows: the value of the Tenant Controlled Improvements (as reasonably estimated by the Company and confirmed and approved by the Agency in accordance with Section 2(B)(c)) shall be amortized on a "level payment" basis over a period equal to the firm term of the applicable Sublease Agreement at an interest rate equal to the "Prime Rate" as published in the *Wall Street Journal* as of the date of execution of the applicable Sublease Agreement, and (2) for up to 750,000 rentable square feet of space used for industrial purposes (including up to ten (10%) percent of any such leased space used for office use), the Sublease Agreement may allow a Sublessee to be responsible for the maintenance of building systems (i.e. electrical, plumbing, HVAC, sprinkler, fire and sewer/septic systems) located in and serving only such Sublessee's space as well as interior janitorial and garbage removal services; otherwise any tenant-provided services shall result in an increase in "Gross Income" for PILOT Payment calculation purposes equal to the reasonable fair value of such services.

(c) On or before March 1, 2013 and March 1 of each year thereafter, the Company shall submit to the Agency its calculation of the Company's Gross Income for the twelve (12) month period ending on the immediately preceding December 31, accompanied by a certification of accuracy by the Company's independent certified public accountant and such other documents as the Agency may reasonably request. Within thirty (30) days after receipt of same, the Agency shall advise the Company and the Taxing Entities of the PILOT Payment for the upcoming fiscal tax year.

(d) Notwithstanding the Agency's advising the Company and the Taxing Entities, as aforesaid, the Agency reserves the right to audit, at the Company's expense, the Company's calculation of Gross Income. The Company and the Agency shall attempt to resolve any discrepancies in good faith. If the Company and the Agency are unable to resolve any such discrepancies within ninety (90) days after the initial submission by the Company, either party may submit the issue to binding arbitration before, and pursuant to the rules of, the American Arbitration Association, at the Company's expense. In the event the amount of Gross Income shall change, as a result of audit, consensual resolution or arbitration, the Company shall within thirty (30) days thereafter make an additional PILOT Payment so that the sum of all PILOT Payments made by the Company for such fiscal tax year equals the amount then otherwise due hereunder using said changed Gross Income calculation, and the PILOT Payments for the balance of such fiscal tax year shall be increased accordingly. Pending any such dispute resolution, the Company shall make PILOT Payments based on the Gross Income as initially calculated by the Company.

(2) From and after the Abatement Expiration Date, and until the Agency's interest in 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 Company 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 and the Agency were not otherwise involved in the Project.

"PILOT Obligations" shall mean all amounts required to be paid by the Company 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 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 Company 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 Company to receive such bill shall in no event affect the Company'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 Company 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, 3rd floor, Mineola, NY 11501, or at such other address as the Treasurer may notify the Company 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 Company 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 Company 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 Company 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 Company 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; Company's 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 Company's obligation for PILOT Obligations shall be prorated to the date of the closing of the transaction and thereupon all obligations of the Company for payment of PILOT Obligations shall cease, but the Agency shall take such steps with the transferee or assignee other than the Company 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 Company and the Agency and the execution and delivery of the Company Lease from the Company 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 Company to make any payment specified herein and the continuance of such failure for a period of fifteen (15) days after receipt by the Company of written notice from the Agency, the County and/or any Taxing Entity.

B. Failure by the Company 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 Company 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 Company 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.

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

Upon the occurrence and during the continuance of an Event of Default hereunder, the Company shall be required to make PILOT Payments as if the Facility were owned by the Company 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 Company, 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 Company shall accept such termination.

The Agency, in enforcing payment by the Company 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 Company makes such payments. The Company hereby agrees 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 Company 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 Company any payments of PILOT Obligations in default hereunder and/or to exercise its rights and remedies under the PILOT Mortgage. The Company 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 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, or if any additional buildings or improvements shall be constructed on the Land (such change of use, structural additions, buildings and improvements being referred to hereinafter as "Additional Facilities"), the Company agrees 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 Company hereunder shall, to such extent, be null and void.

Section 7. Waiver of Tax Exemption. The Company, in recognition of the benefits provided under this Agreement, and for so long as the Lease Agreement is in effect, hereby expressly waives any rights it 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 Company, in recognition of the benefits provided under this Agreement and the Lease Agreement, hereby expressly waives 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. In addition, the Company hereby represents and warrants that it has 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 Company 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 Company's 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 Company' 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 Company 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:

Nassau Steel, LLC
700 Hicksville Road
Bethpage, NY 11714
Attention: Glenn Lostritto

With a courtesy copy to:

Forchelli Curto Deegan Schwartz Mineo Cohn & Terrana LLP
333 Earle Ovington Boulevard, Suite 1010
Uniondale, NY 11553
Attention: Daniel P. Deegan, Esq.

Section 12. Change of Address. The Agency or the Company 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 Company but no assignment shall be effective to relieve the Company of any of its obligations hereunder unless expressly authorized and approved in writing by the Agency. This Agreement shall inure to the benefit of a "Permitted Transferee" (as defined in the Lease Agreement) in the event the Agency enter into a new lease pursuant to Section 12.21 of the Lease Agreement.

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 Company.

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 Company represents that it is subject to service of process in the State of New York and covenants that it will remain so subject so long as the Lease Agreement shall be in effect. If for any reason the Company should cease to be so subject to service of process in the State of New York, the Company hereby designates and appoints, without power of revocation, Daniel P. Deegan, Forchelli Curto Deegan et al., 333 Earle Ovington Boulevard, Suite 1010, 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 the Company upon whom may be served all process, pleadings, notices or other papers which may be served upon the Company 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 Company's obligations hereunder.

B. The Company irrevocably and unconditionally (1) agrees 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) consents to the jurisdiction of each such court in any such suit, action or proceeding; and (3) waives 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 Company's agents designated above shall accept and acknowledge in the Company's behalf service of any and all process in any such suit, action or proceeding brought in any such court. The Company agrees and consents that any such service of process upon such agents and written notice of such service to the Company in the manner set forth in Section 11 hereof shall be taken and held to be valid personal service upon the Company whether or not the Company 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 Company 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 Company or to conduct the defense of any such suit, action or any other legal proceeding except as expressly authorized by the Company.

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 Company under this Agreement shall have been paid and performed in full.

If the Company consists of more than one (1) Person, the obligations of such Persons under this Agreement shall be joint and several.

Section 23. Indemnification. The Company agrees to indemnify, defend (with counsel selected by the Agency and reasonably acceptable to the Company) 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 Company in performing its obligations hereunder or any expense incurred hereunder, including, without limitation, any expenses of the Agency and attorneys' fees and expenses.

Section 24. Special Bank Provisions. The Agency shall give to the Bank (as defined in the Lease Agreement) a copy of each notice of default delivered to the Company under this Agreement concurrently with the giving of any such notice by the Agency to the Company. The Bank shall have the right to remedy any such default within the applicable notice, cure or grace period, if any, provided under this Agreement with respect to such default and for a period of five (5) Business Days thereafter. The Agency shall accept performance by the Bank of any covenant, condition or agreement on the Company's part to be performed hereunder with the same force and effect as though performed by the Company.

The Bank addresses for notice are as follows:

Eurohypo AG, New York Branch
1301 Avenue of the Americas, 35th Floor
New York, New York 10019
Attention: Legal Director

and

Eurohypo AG, New York Branch
1301 Avenue of the Americas, 35th Floor
New York, New York 10019

Attention: Head of Portfolio Operations

and

Katten Muchin Rosenman LLP
575 Madison Avenue
New York, New York 10022
Attention: Scott M. Vetri, Esq. (213875-36)

[Remainder of this page intentionally left blank]

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

NASSAU STEEL, LLC

By ______________________
Joseph J. Lostritto
Managing/Member Administrator

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

On the 15th th day of October, 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

PAUL V OBRIEN
NOTARY PUBLIC STATE OF NEW YORK
NASSAU COUNTY
LIC. #02OB6235944
COMM. EXP. 2/14/2015

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

On the 15th th day of October, in the year 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph J. Lostritto, 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

DANIEL P. DEEGAN
Notary Public, State of New York
No. 02DE4961764
Qualified in Nassau County
Commission Expires July 7, 2014

SCHEDULE A

DESCRIPTION OF THE LAND

See Attached

ALL that certain piece or parcel of land, situated at Bethpage, Town of Oyster Bay, County of Nassau and State of New York, said parcel being more particularly described as follows:

BEGINNING at the corner of the intersection of the easterly line of South Oyster Bay Road and the southerly line of Cherry Avenue Extension;

RUNNING THENCE along the southerly line of Cherry Avenue Extension, South 80 degrees 52 minutes 46 seconds East, a distance of 1,414.94 feet to a point;

RUNNING THENCE the following five (5) courses:

1. South 09 degrees 07 minutes 14 seconds West, a distance of 342.89 feet; thence
2. South 80 degrees 52 minutes 46 seconds East, a distance of 398.26 feet; thence
3. South 09 degrees 07 minutes 14 seconds West, a distance of 15.33 feet; thence
4. South 80 degrees 52 minutes 46 seconds East, a distance of 402.43 feet; thence
5. North 09 degrees 07 minutes 14 seconds East, a distance of 358.22 feet to the southerly line of the Cherry Avenue Extension;

RUNNING THENCE along said southerly line of Cherry Avenue Extension, South 80 degrees 52 minutes 46 seconds East, a distance of 90.00 feet to a point;

RUNNING THENCE the following five (5) courses:

1. South 09 degrees 07 minutes 14 seconds West, a distance of 358.22 feet; thence
2. South 80 degrees 52 minutes 46 seconds East, a distance of 490.10 feet; thence
3. South 03 degrees 50 minutes 49 seconds West, a distance of 426.86 feet; thence
4. North 79 degrees 20 minutes 20 seconds West, a distance of 483.33 feet; thence
5. North 80 degrees 27 minutes 06 seconds West, a distance of 20.10 feet to the westerly line of 11th Street;

RUNNING THENCE the following twenty (20) courses:

1. North 03 degrees 50 minutes 19 seconds East, a distance of 20.10 feet; thence
2. North 80 degrees 27 minutes 06 seconds West, a distance of 202.34 feet; thence
3. South 78 degrees 32 minutes 49 seconds West, a distance of 123.21 feet; thence
4. North 78 degrees 24 minutes 06 seconds West, a distance of 96.76 feet; thence
5. South 09 degrees 10 minutes 36 seconds West, a distance of 319.89 feet; thence

6. South 80 degrees 50 minutes 46 seconds East, a distance of 106.58 feet; thence
7. South 09 degrees 05 minutes 13 seconds West, a distance of 286.40 feet; thence
8. North 80 degrees 49 minutes 02 seconds West, a distance of 130.35 feet; thence
9. South 09 degrees 15 minutes 02 seconds West, a distance of 25.90 feet; thence
10. North 80 degrees 49 minutes 27 seconds West, a distance of 165.19 feet; thence
11. North 09 degrees 15 minutes 02 seconds East, a distance of 27.90 feet; thence
12. North 80 degrees 49 minutes 36 seconds West, a distance of 247.51 feet; thence
13. South 09 degrees 15 minutes 02 seconds West, a distance of 39.96 feet; thence
14. North 80 degrees 50 minutes 55 seconds West, a distance of 310.02 feet; thence
15. North 04 degrees 41 minutes 41 seconds East, a distance of 33.01 feet; thence
16. North 80 degrees 57 minutes 05 seconds West, a distance of 262.44 feet; thence
17. South 04 degrees 41 minutes 41 seconds West, a distance of 190.01 feet; thence
18. South 83 degrees 01 minute 48 seconds East, a distance of 261.89 feet; thence
19. North 04 degrees 41 minutes 41 seconds East, a distance of 45.34 feet; thence
20. South 86 degrees 06 minutes 24 seconds East, a distance of 1,220.38 feet to the westerly line of 11th Street;

THENCE along said westerly line of 11th Street, South 03 degrees 50 minutes 19 seconds West, a distance of 612.50 feet to the northerly line of Thomas Avenue;

THENCE along the northerly line of Thomas Avenue, North 86 degrees 09 minutes 41 seconds West, a distance of 1,077.83 feet to the northeasterly line of Long Island Railroad;

THENCE,along the northeasterly line of said lands, North 49 degrees 41 minutes 36 seconds West, a distance of 1,112.77 feet to the easterly line of South Oyster Bay Road;

THENCE along the easterly line of South Oyster Bay Road, North 06 degrees 07 minutes 46 seconds West, a distance of 1,248.80 feet to a point;

THENCE continuing along the easterly line of South Oyster Bay Road, North 06 degrees 00 minutes 46 seconds West, a distance of 362.63 feet to the southerly line of the Cherry Avenue Extension, the point or place of BEGINNING.

TOGETHER with the right to use the roadway known as Cherry Avenue Extension for vehicular and pedestrian ingress and egress to and from the property, all subject to and as set forth in that certain Declaration of Roadway Easement dated as of July 26, 2005 recorded in the Nassau County Clerk's Office on August 9, 2005 in Liber 11989 Page 562.

EXCEPTING THEREFROM the premises described as Section 46 Block G Lot 5 on the Nassau County Land and Tax Map and being more particularly bounded and described as follows:

ALL that certain piece or parcel of land, situate, lying and being at Bethpage, Town of Oyster Bay, County of Nassau, State of New York, and being more particularly described as follows:

BEGINNING at a point located westerly from Point #6 described in Deed recorded in Liber 3344 of Deeds, Page 154, North 68 degrees 14 minutes 00 seconds West, 343.50 feet, and from said point of beginning;

RUNNING THENCE North 78 degrees 24 minutes 06 seconds West, 165.23 feet;

THENCE North 10 degrees 41 minutes 54 seconds East, 64.30 feet;

THENCE South 79 degrees 56 minutes 46 seconds East, 100.14 feet;

THENCE South 78 degrees 24 minutes 06 seconds East, 65.08 feet;

THENCE South 10 degrees 41 minutes 54 seconds West, 67.00 feet to the point or place of BEGINNING.