

SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the Schoharie County Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
349 Mineral Springs Road
Cobleskill, New York 12043

This application by applicant respectfully states:

APPLICANT: Kyu Sung Cho, Sharon Springs, Inc.

APPLICANT'S ADDRESS: 1246 Anderson Avenue

CITY: Fort Lee STATE: New Jersey PHONE NO.: 855-333-6533

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: Kevin Lee; Jody Zakrevsky

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF ATTORNEY: _____

ATTORNEY'S ADDRESS: _____

CITY: _____ STATE: _____ PHONE NO.: _____

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGES 2 AND 3 HEREOF BEFORE FILLING OUT THIS FORM.

INSTRUCTIONS

1. The Agency will not approve any application unless in the judgment of the Agency said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the Project). Except as limited by the Internal Revenue Code (which applies to certain federally tax-exempt bonds), the costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered as a part of the Project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of two hundred fifty dollars(\$250.00) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

FOR AGENCY USE ONLY

1. Project Number _____
 2. Date Received by Agency _____, 20__
 3. Date referred to Attorney for review _____, 20__
 4. Date notice of Agency meeting on application posted _____, 20__
 5. Date notice of Agency meeting on application mailed _____, 20__
 6. Date of Agency meeting on application _____, 20__
 7. Date Agency conditionally approved application _____, 20__
 8. Date Agency offer mailed to applicant _____, 20__
 9. Date applicant accepted Agency offer _____, 20__
 10. Date Environmental Assessments Form ("EAF") received _____, 20__
 11. Date Agency completed environmental review _____, 20__
 12. Date of final approval of application _____, 20__
-

I. Proposed occupant of Project (hereinafter, the "Company").

A. Company Name: Sharon Springs Inc.

Present Address: 24 Grand ave, suite 603 Palisades Park NJ

Zip Code 07650

Employer's ID No.: 20 3057590

B. If the Company differs from the Applicant, give details of relationship: _____

C. Indicate type of business organization of Company:

1. Corporation (If so, incorporated in what country? United States of America
 What State? New York Date Incorporated? May 12, 2005
 Type of Corporation? Domestic Business Corp. Authorized to do business in New
 York? yes no).

2. Partnership (if so, indicate type of partnership _____, Number
 of general partners _____, Number of limited partners _____).

3. Sole proprietorship

D. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so,
 indicate name of related organization(s) and relationship: No.

E. Management of Company:

1. List all owners, officers, directors and partners (complete all columns for each person):

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Kyu Sung Cho 1246 Anderson Ave Fort Lee, NJ 07024	President	Dongbu Tour and Travel, Inc.
Kwang Bum Lee	Director	

2. Is the Company or management of the Company now a plaintiff or a defendant in any
 civil or criminal litigation? yes no

3. Has any person listed above ever been convicted of a criminal offense (other than a
 minor traffic violation)? yes no

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? _____ yes X no. (If yes to any of the foregoing, furnish details in a separate attachment).

F. Principal owners of Company: Is Company publicly held? _____ yes X no. If yes, list exchanges where stock traded: _____

If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
Kyu Sung Cho	1246 Anderson Ave, Fort Lee, NJ 07024	100%

G. Company's Principal Bank(s) of account: _____
Noah Bank of New Jersey
Chase, NY

II. Data regarding Proposed Project

A. Summary: (Please provide a brief narrative description of the Project.)
Renovation of historic Imperial Baths to an Asian style modern spa and resort.

B. Location of Proposed Project:

1. Street Address: 233 Main Street
2. City of Sharon Springs
3. Town of Sharon Springs
4. Village of Sharon Springs
5. County of Schoharie

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 14.2 acres
Is a map, survey or sketch of the project site attached? yes no.

2. Are there existing buildings on project site? yes no. If yes, indicate number and approximate size (in square feet) of each existing building: _____
Imperial Baths approximately 15,000 square feet
Doctors Office approximately 4,600 square feet

3. Are existing buildings in operation? yes no.
If yes, describe present use of present buildings: _____

Are existing buildings abandoned? yes no. About to be abandoned?
yes no. Attach photograph of present buildings.

4. Utilities serving project site:
Water-Municipal: Sharon Springs Municipal Water
Other (describe) _____
Sewer-Municipal: Sharon Springs Municipal
Other (describe) _____
Electric-Utility: National Grid
Other (describe) _____
Heat-Utility: _____
Other (describe) Propane Gas

5. Present legal owner of project site: Sharon Springs Inc.
If the Company owns project site, indicate date of purchase: July 30, 2005
Purchase price: \$ \$0.7 million. If Company not owner, does Company have option signed with owner to purchase the project site? yes no. If yes, indicate date option signed with owner: _____, 20____. Date option expires: _____, 20____.
If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? yes no. If yes, describe in detail on separate attachment.

6. Zoning District in which the project site is located: Main Street Open District

Are there any variances or special permits affecting the site? yes no. If yes, list below and attach copies of all such variances or special permits: _____
Parking Lot Needs Site Plan Approval and Restuarant

D. Buildings:

1. Does part of the project consist of a new building or buildings? yes no. If yes, indicate number and size of new buildings: _____

2. Does part of the project consist of additions and/or renovations to the existing buildings? yes no. If yes, indicate nature of expansion and/or renovation: _____
Project involves the complete renovation of existing structures.

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: _____

Spa Services and Health Care Services

E. Project Use:

1. What are the principal products to be produced at the Project? _____
Water may be bottled, but nothing is
being produced at the site.

2. What are the principal activities to be conducted at the Project? _____
Spa Services and Health Care Services

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? yes no. If yes, please provide detail: Skin Care products and soveniers will be sold, but it is not the primary use of the facilities.

4. If the answer to 3 above is yes, does the Project constitute a "tourism destination", a location or facility which is likely to attract a significant number of visitors from outside the Schoharie County economic development region? Yes, the project will definately be a tourism destination.

5. Is the predominant purpose of the Project to make available goods or services which are not readily accessible to the residents of Schoharie County? yes no. If yes, please explain: While there are some small spa facilities within Schoharie County, nothing of this type (asian spa) or magnitude exist within the region.

6. Is the Project located in a "highly distressed area"? A "highly distressed area" is defined under the Act to include the following: a census tract or tracts or block numbering area or areas or such census tract or block numbering area contiguous thereto which, according to the most recent census data available, has (A) a poverty rate of at least twenty percent for the year to which the data relates or at least twenty percent of households receiving public assistance, and (B) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates. yes no. If yes, please explain: The area has been designated as a EB-5 employment targeted area by the NYS Department of Labor and the NYS Empire State Development as an area having high chronic unemployment.

F. Construction Status:

1. Has construction work on this project begun? yes no. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.: Asbestos removal has begun.

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures: NA

G. Method of Construction After Agency Approval: If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? _____ yes no

III. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers).

TYPE OF EMPLOYMENT NA				
	PROFESSIONAL MANAGERIAL	UNSKILLED OR SKILLED	SEMI-SKILLED	TOTALS
Present Full Time	2			2
Present Part Time				
Present Seasonal				
First Year Full Time	5	30		35
First Year Part Time				
First Year Seasonal				
Second Year Full Time	5	30		35
Second Year Part Time				
Second Year Seasonal				

B. 1. Will the completion of the project which is the subject of this application result in the removal of a commercial, industrial or manufacturing plant or facility of the Company

from one area of the State of New York to another area of the State of New York?
 yes no

2. Will the completion of the project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? yes no.
3. If yes to either 1 or 2, is this project reasonably necessary to preserve the Company's competitive position in its industry? yes no
4. If yes to either 1 or 2, is this project reasonably necessary to discourage the Company from removing such other plant or facility to a location outside the State of New York?
 yes no
5. If yes to either 3 or 4, please furnish details in separate attachment.

IV. Project Cost

- A. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 700,000
Buildings	\$ 5,300,000
Machinery and equipment costs	\$ 1,500,000
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ 330,000
Costs of Bond issue (legal, financial and printing)	\$ _____
Construction loan fees and interest (if applicable)	\$ 320,000
Other (specify)	\$ _____
<u>Working Capital and Marketing</u>	\$ 1,000,000
_____	\$ _____
 TOTAL PROJECT COST	 \$ 9,150,000

- B. Have any of the above expenditures already been made by applicant? yes no (If yes, indicate particular.) From 9/25/12 to present \$148,000 has been spent on demolition, architectural costs and site analysis. In addition, another \$600,000 in asbestos removal has been spent.

- C. 1. Amount of loan requested: NA Dollars;
2. Maturity requested: _____ Years.

V. Benefits expected from the Agency

- A. Is the applicant requesting that the Agency issue bonds, the interest on which is partially or wholly exempt from federal income tax? yes no.
- B. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? yes no.
- C. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? yes no. If yes, what is the approximate amount of financing to be secured by mortgages? \$6 million
- D. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? yes no. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$1,200,000.
- E. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.
Sales Tax: \$125,000 (one time) Mortgage
Recording: \$0 (one time)
Real Property Tax: \$304,300 per year
- F. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? yes no. If yes, please explain.
Sharon Springs is requesting a 15 year Pilot with a five year renewal clause (for a total of 20 years).

IV. Agreements by Applicant

- A. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. Except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by JTPA Entities for new employment opportunities created as a result of the Project.

- C. The applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.
- D. The applicant has received from the Agency a list of the members, officers and employees of the Agency.
- E. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described: _____



 (Applicant)

Kyu Sung Cho
 BY: _____

NOTE: APPLICANT MUST COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 13 THROUGH 15 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 16

VERIFICATION

(If Applicant is a Corporation)

STATE OF NJ,
) SS.:
 COUNTY OF Bergen

Kyu Sung Cho deposes and says that he is the
 (Name of chief executive of applicant)
President of Sharon Springs, Inc
 (Title) (Company Name)


the corporation named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not

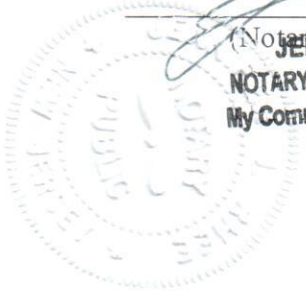
by said company is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.



(officer of applicant)

Sworn to before me this 19th
day of NOV, 2015


(Notary)
JENNIFER J. RHEE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 11/23/2017



HOLD HARMLESS AGREEMENT


Applicant hereby releases Schoharie County Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

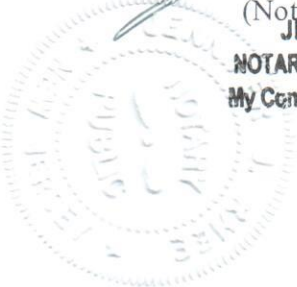


(Applicant)

BY: Kyu Sung Cho

Sworn to before me this 19th
day of Nov, 20 .


(Notary Public)
JENNIFER J. RHEE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 11/23/2017



ATTACHMENT A

TO: Project Applicants
 FROM: Schoharie County Industrial Development Agency
 RE: Cost/Benefit Analysis

In order for Schoharie County Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	
2. Brief Identification of the Project:	
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	125,000
C. Value of Real Property Tax Exemption Sought	\$ 304,300
D. Value of Mortgage Recording Tax Exemption Sought	0
	\$

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$
2. Site preparation	\$
3. Landscaping	\$
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe)	\$
B. Building-Related Costs	\$
1. Acquisition of existing structures	700,000
2. Renovation of existing structures	5,300,000
3. New construction costs	\$
4. Electrical systems	\$
5. Heating, ventilation and air conditioning	\$
6. Plumbing	\$
7. Other building-related costs (describe)	\$

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$ 1,500,000
2.	Packaging equipment	\$
3.	Warehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (describe)	\$
D.	Furniture and Fixture Costs	
1.	Office furniture	\$
2.	Office equipment	\$
3.	Computers	\$
4.	Other furniture-related costs (describe)	\$
E.	Working Capital Costs	
1.	Operation costs	\$ 1,100,000
2.	Production costs	\$
3.	Raw materials	\$
4.	Debt service	\$
5.	Relocation costs	\$
6.	Skills training	\$
7.	Other working capital-related costs (describe)	\$
F.	Professional Service Costs	
1.	Architecture and engineering	\$ 330,000
2.	Accounting/legal	\$
3.	Other service-related costs (describe)	\$
G.	Other Costs	
1.	_____	\$
2.	_____	\$
H.	Summary of Expenditures	
1.	Total Land Related Costs	\$ 700,000
2.	Total Building Related Costs	\$ 5,300,000
3.	Total Machinery and Equipment Costs	\$ 1,500,000
4.	Total Furniture and Fixture Costs	\$
5.	Total Working Capital Costs	\$ 1,000,000
6.	Total Professional Service Costs	\$ 330,000
7.	Total Other Costs construction loan and fees	\$ 320,000

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

I. Please provide estimates of total construction jobs at the Project:

Year	Construction Jobs (Annual wages and benefits \$40,000 and under)	Construction Jobs (Annual wages and benefits over \$40,000)
Current Year		
Year 1	10	15
Year 2	10	15
Year 3		
Year 4		
Year 5		

II. Please provide estimates of total annual wages and benefits of total construction jobs at the Project:

Year	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	\$	\$
Year 1	\$ 1,350,000	\$ 72,900
Year 2	\$ 1,465,000	\$ 80,190
Year 3	\$	\$
Year 4	\$	\$
Year 5	\$	\$

PROJECTED PERMANENT EMPLOYMENT IMPACT

I. Please provide estimates of total existing permanent jobs to be preserved or retained as a result of the Project:

Year	Existing Jobs (Annual wages and benefits \$40,000 and under)	Existing Jobs (Annual wages and benefits over \$40,000)
Current Year		
Year 1	0	
Year 2		
Year 3		
Year 4		
Year 5		

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	New Jobs (Annual wages and benefits \$40,000 and under)	New Jobs (Annual wages and benefits over \$40,000)
Current Year		
Year 1	35	5
Year 2	35	5
Year 3	35	5
Year 4	35	5
Year 5	35	5

III. Please provide estimates of total annual wages and benefits of total permanent jobs at the Project:

Year	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	\$	\$
Year 1	\$ 1,977,700	\$ 80,000
Year 2	\$ 1,977,700	\$ 80,000
Year 3	\$ 1,977,700	\$ 80,000
Year 4	\$ 1,977,700	\$ 80,000
Year 5	\$ 1,977,700	\$ 80,000

IV. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

PROJECTED OPERATING IMPACT

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 st year following project completion)	\$ 50,000
Additional Sales Tax Paid on Additional Purchases	\$ 4,000
Estimated Additional Sales (1 st full year following project completion)	\$ 8,056,000
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ 644,500

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Year	Existing Real Property Taxes	New Pilot Payments	Total
Current Year	5861.57		
Year 1		5861	5861
Year 2		5,861	5,861
Year 3		5,861	5,861
Year 4		5,861	5,861
Year 5		5,861	5,861
Year 6		6,271	6,271
Year 7		6,710	6,710
Year 8		7,180	7,180
Year 9		7,683	7,683
Year 10		8,220	8,220

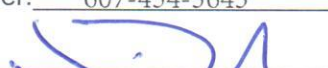
III. Please provide estimates for the impact of other economic and local benefits expected to be produced as a result of the Project: Based upon a recent Toronto study of economic multipliers, an additional \$1.7 million will be spent within the County during the first year of operation. This is equal to an additional \$72,000 in sales tax above that identified in item IV below.

IV. Please provide estimates for the impact of economic and local costs expected to be produced as a result of the Project: The project will generate an additional \$322,250 in ongoing sales tax to the County once the project is built.

CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

<p>Date Signed: <u>11-16</u>, 20<u>15</u></p>	<p>Name of Person Completing Project Questionnaire on behalf of the Company.</p> <p>Name: <u>Jody Zakrevsky</u> Title: <u>Consultant</u> Phone Number: <u>607-434-3643</u></p> <p>Signature: </p>
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SECTION 1. TYPES OF FEES. The types of fees imposed by the Agency in connection with Agency Projects shall consist of (A) an application fee and (B) an administrative fee.

SECTION 2. APPLICATION FEE. The Agency will charge a non-refundable application fee equal to \$250.00 (two hundred fifty dollars) upon the submission of the Agency's Application for Financial Assistance. The application fee is payable at the time the Application is delivered and will not be applied toward the administrative fee of the Agency.

SECTION 3. ADMINISTRATIVE FEE.

- (A) Timing. The Agency will charge an administrative fee in connection with an Agency Project. In the case of an Agency Project involving the issuance of bonds, notes or other obligations issued by the Agency, such administrative fee shall be payable upon the successful conclusion of the sale of the obligations. In the case of an Agency Project involving a straight-lease transaction or other transaction not involving the sale of obligations or the Agency, the fee shall be payable upon the execution and delivery of the documents providing the financing assistance.
- (B) Amount: Bond Transactions. The amount of the administrative fee for an Agency Project involving the sale of obligations issued by the Agency shall be computed as follows:
- Tax-Exempt Obligations: Except as provided below, one percent (1.0%) of the aggregate principal amount of the obligations the interest on which is not subject to federal income tax issued with respect to the Agency Project.
 - Taxable Obligations: one percent (1.0%) of the aggregate principal amount of the obligations the interest on which is not subject to federal income tax issued with respect to the Agency Project. This fee formula is applicable to Agency Projects which benefit not-for-profit corporations.

The Agency agrees to modify the amount of the administrative fee computed herein if Bond Counsel advises the Agency that such modification is necessary in order to ensure that the interest on the obligations is excludable from gross income for federal income tax purposes.

- (C) Amount: Refunding Bond Transaction. The amount of the administrative fee for an Agency Project involving the sale of obligations to refund an outstanding amount of obligations shall be computed as follows:
- If the outstanding obligations were originally issued by the Agency and the amount of the refunding obligations does not exceed the amount of the existing obligations, the administrative fee shall be equal to zero.
 - If the outstanding obligations were originally issued by the Agency and the amount of the refunding obligations does exceed the amount of the outstanding obligations, an administrative fee shall be payable on such difference based on the formula contained in Section 4(B) above.

- If the outstanding obligations were not originally issued by the Agency, an administrative fee shall be payable on the total aggregate principal amount of the refunding obligations based on the formula in Section 4(B) above.

The Agency agrees to modify the amount of the administrative fee computed herein if Bond Counsel advises the Agency that such modification is necessary in order to ensure that the interest on the refunding obligations is excludable from gross income for federal income tax purposes.

(D) Amount: Straight Lease Transaction. The amount of the administrative fee for an Agency Project involving straight lease transactions shall be computed as follows:

- three-quarters of one percent (.75%) of the cost of the Agency Project. The cost of the Agency Project shall be the greater of the (A) amount financed by the applicant in undertaking the Agency Project, or (B) the cost incurred by the applicant in undertaking the Agency Project.

(E) Amount: Other Transactions. The amount of the administrative fee for an Agency Project not involving the issuance of the obligations or the execution of straight leases shall be determined by the members of the Agency in their sole discretion.

SECTION 4. LEGAL FEES. The company is responsible for the Agency's fees for legal services in connection with the project. These fees will be due upon closing.

SECTION 5. EXPENSES. In addition to any application fees and administrative fees an Agency Project is subject, the Agency may also charge to the applicant its reasonable expenses incurred in connection with an Agency Project. Such expenses include the following: publication charges, stenographer and transcription expenses and the expenses and fees of Agency Counsel. Any moneys generated by the payment of the expenses of the Agency pursuant to this Section 6 shall become the property of the Agency and part of its general fund.

SECTION 6. NEW YORK STATE BOND ISSUANCE FEE

<u>Principal Amount of Bonds</u>	<u>Percentage Fee</u>
\$1,000,000 or less	.168%
\$1,000,000 to \$5,000,000	.336%
\$5,000,001 to \$10,000,000	.504%
\$10,000,001 to \$20,000,000	.672%
more than \$20,000,000	.84%

SECTION 6. REIMBURSEMENT. The application and administrative fees provided for in this Part 21 are designed to cover operating expenses of the Agency. Such fees are not charged to collect any real property

taxes, or other taxes, which would have been levied by or on behalf of an affected tax jurisdiction (as defined in Section 854(16) of the Act).

SECTION 7. DEVIATION. The agency may provide for a different application fee and/or a different administrative fee for a particular project by resolution duly adopted by the Agency.

RECAPTURE OF BENEFITS

Each agreement which the Agency conferring benefits in the form of tax exemptions shall reserve to the Agency the right to recapture all or a portion of such benefits upon the occurrence of identified events such as sale or closure of a facility, change in the business activities of the company, or other similar developments which the Agency determines to be the detriment of economic development of the area served by the Agency. Such reservation of rights to the Agency shall be either negotiated and scheduled as a percentage of the benefits or left to the reasonable discretion of the Agency to be determined on a case by case basis as and if such events arise. The agreement shall also address the manner of recovery of such recapture in the event of the occurrence of such events.