
TOWN OF CLIFTON PARK INDUSTRIAL DEVELOPMENT AGENCY

AND

USHERS ROAD PARTNERS, A CALIFORNIA LIMITED PARTNERSHIP

SUPPLEMENTAL PAYMENT IN LIEU OF TAX AGREEMENT

EFFECTIVE AS OF MARCH 1, 2015

SUPPLEMENTAL PAYMENT IN LIEU OF TAX AGREEMENT

THIS SUPPLEMENTAL PAYMENT IN LIEU OF TAX AGREEMENT with an effective date of March 1, 2015 ("Agreement") by and between the TOWN OF CLIFTON PARK INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York having its office at the Clifton Park Town Hall, One Town Hall Plaza, Clifton Park, New York 12065 (the "Lessor"), and USHERS ROAD PARTNERS, A CALIFORNIA LIMITED PARTNERSHIP, a limited partnership organized and existing under the laws of the State of California and having an address of 6901 Tujunga Avenue, North Hollywood, California 91605-6213 (the "Company");

WITNESSETH:

WHEREAS, the New York State Industrial Development Agency Act, being Title I of Article 18-A of the General Municipal Law, Chapter 24, of the Consolidated Laws of the State of New York, as amended (the "Enabling Act"), authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any buildings or other improvements, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for, among other things, manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell any or all of its facilities and to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, any such bonds so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities whether then owned or thereafter acquired, and to pledge the revenues and receipts from the lease or sale thereof to secure the payment of such bonds and interest thereon; and

WHEREAS, the Lessor was created pursuant to and in accordance with the provisions of the Enabling Act by Chapter 630 of the Laws of 1980 of the State of New York, as amended (said chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and improve their standard of living; and

WHEREAS, the Lessor, by resolution adopted on February 3, 2014 (the "Resolution"), resolved to undertake a project (the "Project") consisting of (A) (1) the construction on an approximately 8.631 acre parcel currently owned by the Agency and sold to the Company under an installment sale agreement and located at 200 Commerce Drive in the Town of Clifton Park, New York (the "Land") of an approximately 24,000 square foot addition (the "Addition") to an existing 72,170 square foot building (the "Existing Facility" and together with the Addition, the "Facility") currently leased to Bobrick Washroom Equipment, Inc. (the "Tenant") being utilized and to be utilized by the Tenant for its washroom equipment manufacturing and warehousing operations as well as general office space and (2) the acquisition and installation in the Facility of certain machinery and equipment (collectively, the "Equipment" and together with the Facility, collectively the "Project Facility") (B) the lease (with the obligation to purchase) or the sale of the Project Facility to the Company and (C) the providing by the Agency of certain "financial

assistance” (as defined in the Act) in the form of exemptions from state and local sales tax and real property taxes; and; and

WHEREAS, the Lessor has sold the Project Facility to the Company pursuant to the terms of an installment sale agreement agreement dated as August 1, 1994 (as amended from time to time, the “Installment Sale Agreement”) by and between the Lessor and the Company; and

WHEREAS, financing for the Project will be provided by a loan from KeyBank National Association (the “Bank”) to the Company; and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the "Real Property Tax Law"), the Lessor is not required to pay taxes or assessments upon any of the property acquired by it or under its jurisdiction, supervision or control or upon its activities; and

WHEREAS, pursuant to the provision of Section 6.6 of the Installment Sale Agreement, the Company has agreed to make payments in lieu of real estate taxes with respect to the Project Facility in the amounts and in the manner hereinafter set forth;

WHEREAS, the parties have previously entered into a payment in lieu of tax agreement dated as of August 1, 1994 which describes the payments in lieu of real estate taxes due from the Company with respect to the Land and the Existing Facility during the period when the Lessor is in title with respect to the Land (as amended, the “Existing Pilot Agreement”); and

WHEREAS, the parties desire to set forth their agreement with respect to payments in lieu of real estate taxes to be paid by the Company with respect to the Addition; and

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

DEFINITION OF TERMS. All words and terms used herein and not otherwise defined herein shall have the meanings assigned to such words and terms in the Installment Sale Agreement.

ARTICLE I

REPRESENTATIONS AND WARRANTIES

SECTION 1.01. REPRESENTATIONS AND WARRANTIES OF LESSEE. The Company represents and warrants that:

(A) Power: The Company is a limited partnership duly organized, validly existing and in good standing under the laws of the State of California, is authorized to conduct business in the State of New York and has the power and capacity to perform the obligations hereunder.

(B) Authorization: Neither the execution and delivery of this Agreement, the consummation by the Company of the transactions contemplated hereby nor the fulfillment by the Company of or compliance by the Company with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of the articles of limited partnership or limited partnership agreement of the Company or of any order, judgment, agreement, or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing.

(C) Governmental Consent: To the knowledge of the Company no consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition precedent to the execution, delivery or performance of this Agreement by the Company or as a condition precedent to the consummation by the Company of the transactions contemplated hereby.

SECTION 1.02. REPRESENTATIONS AND WARRANTIES OF THE LESSOR. The Lessor represents and warrants that:

(A) Power: The Lessor is duly established under the provisions of the Act and has the power to enter into this Agreement and to carry out its obligations hereunder. By proper official action, the Lessor has been duly authorized to execute, deliver and perform this Agreement.

(B) Authorization: Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby by the Lessor nor the fulfillment by the Lessor or compliance by the Lessor with the provisions of this Agreement will conflict with or result in a breach by the Lessor of any of the terms, conditions or provisions of the Act, the by-laws of the Lessor, or any order, judgment, restriction, agreement or instrument to which the Lessor is a party or by which it is bound, or will constitute a default by the Lessor under any of the foregoing.

(C) Governmental Consent: To the knowledge of Lessor no consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Lessor is required as a condition precedent to the execution, delivery or performance of this Agreement by the Lessor or as a condition precedent to the consummation by the Lessor of the transactions contemplated hereby.

ARTICLE II

COVENANTS AND AGREEMENTS

SECTION 2.01. TAX-EXEMPT STATUS OF PROJECT FACILITY.

(A) Assessment of Facility: Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto acknowledge that, upon acquisition of the Project Facility by the Lessor, and for so long thereafter as the Lessor shall own the Project Facility, the Project Facility shall be assessed by the various taxing entities having jurisdiction over the Project Facility, including, without limitation, any county, city, school district, town, village or other political unit or units wherein the Project Facility is located (such taxing entities being sometimes collectively hereinafter referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually hereinafter referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Lessor of title to the Project Facility. The Company shall promptly, following acquisition by the Lessor of title to the Project Facility, cooperate to ensure that the Project Facility is assessed as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Lessor, and for so long thereafter as the Lessor shall own the Project Facility, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The Lessor will cooperate with the Company and will take all action as may be necessary (subject to the provisions of Section 3.01 hereof) to preserve the tax exempt status of the Project Facility. Pursuant to the provisions of the Installment Sale Agreement, the Partnership will be required to pay to the appropriate Taxing Entity all taxes and assessments lawfully levied and/or assessed by the appropriate Taxing Entity against the Project Facility, including taxes and assessments levied for the current tax year and all subsequent tax years until the Project Facility shall be entitled to exempt status on the tax rolls of the appropriate Taxing Entity.

(B) Special Assessments: The parties hereto understand that the tax exemption extended to the Lessor by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Lessor to exemption from special assessments and special ad valorem levies. Pursuant to the Installment Sale Agreement, the Company will be required to pay to the appropriate Taxing Entity all special assessments and special ad valorem levies lawfully levied and/or assessed by the appropriate Taxing Entity against the Project Facility.

SECTION 2.02. PAYMENTS IN LIEU OF TAXES.

(A) Agreement to Make Payments: The Company agrees that it will make annual payments in lieu of real estate taxes with respect to the Addition to the Lessor in the amounts hereinafter provided for redistribution to the respective Taxing Entities in proportion to the amounts which said Taxing Entities would have received had not the Project Facility been acquired and owned by the Lessor.

(B) Amount of Payments in Lieu of Taxes:

(1) Town and County Taxes: (a) Through and including January 30, 2025, no payments in lieu of real estate taxes shall be due, owing and payable by the Company to the Lessor with respect to the Addition on account of town and county taxes with respect to each appropriate Taxing Entity.

(b) Commencing January 31, 2025 and continuing on each January 31 thereafter for such time as this Agreement is in effect, payments in lieu of real estate taxes shall be due, owing and payable by the Company to the Lessor with respect to the Addition on account of town and

county taxes with respect to each appropriate Taxing Entity in an amount to be determined by multiplying (i) the Assessed Value of the Project Facility determined pursuant to Section 3 of this Section 2.02 by (ii) the tax rate or rates of such Taxing Entity applicable to the Project Facility for the current tax year of such Taxing Entity

(2) School Taxes: (a) Through and including January 30, 2025, no payments in lieu of real estate taxes shall be due, owing and payable by the Company to the Lessor with respect to the Addition on account of school taxes.

(b) Commencing January 31, 2025 and continuing for such time as this Agreement is in effect, payments in lieu of real estate taxes shall be due, owing and payable by the Company to the Lessor on account of school taxes in an amount to be determined by multiplying (i) the Assessed Value of the Project Facility determined pursuant to Section 3 of this Section 2.02 by (ii) the tax rate or rates of the Shenendehowa Central School District applicable to the Project Facility for the current tax year of the Shenendehowa Central School District.

(3) (a) For purposes of this Section 2.02 the "Assessed Value" of the Land or the Project Facility, as applicable, shall be determined by the appropriate officer or officers of the Taxing Entity responsible for assessing properties in each Taxing Entity (said officer or officers being hereinafter collectively referred to as the "Assessor"). The Assessor shall (a) appraise the Land or the Project Facility, as applicable, (excluding, where permitted by law, personal property) in the same manner as other similar properties in said Taxing Entity and (b) place a value for assessment purposes upon the Land or the Project Facility, as applicable, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The parties acknowledge and agree that the Assessed Value may be modified at the time of any general reassessment of real property values in the Town of Clifton Park.

(b) If the Company is dissatisfied with the amount of Assessed Value as initially established or as changed, the Company may pursue review of the Assessed Value under Article 7 of the New York State Real Property Tax Law or any other law or ordinance then in effect relating to disputes over assessed valuation of real property in the State of New York, and may take any and all other action available to it at law or in equity, for a period of seven (7) years from the date such Assessed Value is initially established or increased. IF THE COMPANY FAILS TO PURSUE REVIEW OF (i) THE INITIALLY ESTABLISHED ASSESSED VALUE, DURING THE SEVEN (7) YEAR PERIOD FOLLOWING SUCH ESTABLISHMENT; (ii) ANY INCREASE IN ASSESSED VALUE, DURING THE SEVEN (7) YEAR PERIOD FOLLOWING ANY SUCH INCREASE OR (iii) ANY INCREASE IN ASSESSED VALUE AS A RESULT OF A TOWN-WIDE REVLUATION WITHIN ONE (1) YEAR FOLLOWING ANY SUCH INCREASE, THE COMPANY SHALL BE DEEMED TO HAVE WAIVED ANY RIGHT TO CONTEST OR DISPUTE SUCH ASSESSED VALUE AT ANY TIME FOR A SEVEN (7) YEAR PERIOD COMMENCING JANUARY 1, 2025. NOTWITHSTANDING ANYTHING IN THE NEW YORK STATE REAL PROPERTY TAX LAW TO THE CONTRARY. THIS SEVEN (7) YEAR LIMITATION SHALL APPLY TO EACH AND EVERY ASSESSMENT MADE DURING THE PERIOD THAT THE AGENCY HOLDS TITLE TO THE PROJECT FACILITY, AND SHALL BE FOR THE BENEFIT OF THE AGENCY AND THE OTHER TAXING ENTITIES. The Agency hereby irrevocably appoints the Company its attorney-in-fact and agent (coupled with an interest) for the purpose of commencing any proceeding, preparing and filing all documents and taking any and all other actions required to be taken by Agency, necessary or desirable, in the opinion of the Company, to contest or dispute any Assessed Value within such periods; provided, however, that the Agency shall incur no expense or liability in connection with any action taken or omitted to be taken by its attorney-in-fact and agent.

(4) Additional Amounts in Lieu of Taxes: Commencing on the first tax year following the date on which any structural addition shall be made to the Project Facility or any portion thereof or any additional building or other structure shall be constructed on the Land (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities"), the Company agrees to make additional annual payments in lieu of property taxes (such additional payments being hereinafter collectively referred to as "Additional Payments") to the Receivers of Taxes with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Taxing Entity if such Additional Facilities were owned by the Company and not the Agency by multiplying (a) the additional Assessed Value of such Additional Facilities determined pursuant to subsection (B)(3) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and not the Agency.

(2) In each calendar year during the term of this Agreement (commencing in the calendar year when such Additional Facilities first appear on the assessment roll of any Taxing Entity), the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Agreement shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to such Additional Facilities for such calendar year (unless the Agency and the Company shall enter into a separate written agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written agreement shall control).

SECTION 2.03. INTEREST. If the Company shall fail to make any payment required by this Agreement when due, its obligation to make the payment so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with late fees and interest thereon equal to the greater of (A) any late fees and interest which would be applicable with respect to each Taxing Entity were the Project Facility owned by the Company and not the Lessor and (B) the late fees and interest prescribed by subsection (5) of Section 874 of the General Municipal Law of the State of New York (or any successor statute thereto).

SECTION 2.04. ABATEMENT REDUCTION.

(A) Notwithstanding anything herein to the contrary, the real property tax abatements set forth herein are subject to reduction on a prospective basis as set forth below at the discretion of the Agency upon the occurrence of the following:

- (1) Closure of the Facility;
- (2) A significant change in the use of the Facility and/or the business operations of the Subtenant;

(3) Significant employment reductions at the Facility which are (a) not representative of (i) such Subenant’s normal business cycles and/or (ii) local and natural economic conditions and (b) inconsistent with employment projections set forth in the application for financial assistance submitted to the Agency.

The applicable reduction shall be as follows for the years in question:

| Pilot Years | Percentage Reduction |
|-------------|--------------------------------------|
| 1 through 5 | 50%-100% as determined by the Agency |
| 6 | 50% |
| 7 | 40% |
| 8 | 30% |
| 9 | 20% |
| 10 | 10% |

(B) Reporting requirements: The Company shall, by January 1st of each year this Agreement is in effect, submit an employment report to the Agency detailing the number of full and part time positions by category: professional/managerial, clerical, skilled and unskilled. Any projected increases or reductions in the work force for the upcoming year shall also be reported. Failure to provide said report within twenty (20) days following receipt of written notice from the Agency of a failure to provide such report by the due date shall constitute an Event of Default hereunder without the necessity of a notice from the Agency. Following receipt and review of such report, should the Agency determine that a reduction in the abatements described herein is warranted, the Agency shall notify the Company in writing and the Company shall be given an opportunity to respond.

ARTICLE III

LIMITED OBLIGATION OF THE LESSOR

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE LESSOR.

(A) No Recourse: All covenants, stipulations, promises, agreements and obligations of the Lessor contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Lessor and not of any member, officer, agent, servant or employee of the Lessor in his individual capacity, and no recourse under or upon any obligation, covenants or agreement contained in this Agreement, or otherwise based upon or in respect of this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Lessor or any successor public benefit corporation or political subdivision or any person executing this Agreement on behalf of the Lessor, either directly or through the Lessor or any successor public benefit corporation or political subdivision or any person so executing this Agreement, it being expressly understood that this Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Lessor or of any successor public benefit corporation or political subdivision or any person so executing this Agreement under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Agreement.

(B) Limited Obligation: The obligations and agreements of the Lessor contained herein shall not constitute or give rise to an obligation of the State of New York or the Town of Clifton Park, New York, and neither the State of New York nor the Town of Clifton Park, New York shall be liable thereon, and further such obligations and agreements shall not constitute or give rise to a general obligation of the Lessor, but rather shall constitute limited obligations of the Lessor payable solely from the revenues of the Lessor derived and to be derived from the lease, sale or other disposition of the Project Facility.

(C) Further Limitation: Notwithstanding any provision of this Agreement to the contrary, the Lessor shall not be obligated to take any action pursuant to any provision hereof unless (1) the Lessor shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Lessor (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Lessor shall have received from the Company security or indemnity and an agreement from the Company satisfactory to the Lessor to defend and hold harmless the Lessor against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV

EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events (hereinafter an "Event of Default") shall constitute a default under this Agreement:

(A) Failure of the Company to pay any amount due and payable by it pursuant to this Agreement and continuance of said failure for a period of fifteen (15) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed by it hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such thirty (30) day period, and the Company shall have commenced action to cure the breach of such covenant, condition or agreement within said thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for a period not to exceed ninety (90) days from the date of receipt by the Company of such notice; or

(C) Any warranty or representation by the Company contained in this Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Agreement and such falsity or incorrectness has a material adverse affect on the Company's ability to perform its obligations under this Agreement.

SECTION 4.02. REMEDIES ON DEFAULT. Whenever any Event of Default shall have occurred and be continuing with respect to this Agreement, the Lessor may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Agreement including, without limitation, the exercise by the Lessor of the remedy set forth in Section 10.2 of the Installment Sale Agreement. Pursuant to Section 5.6 of the Installment Sale Agreement, the Installment Sale Agreement constitutes a first priority lien on the Project Facility as security for the payments due to the Lessor hereunder. Each such 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. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Agreement may be brought in the courts of the State of New York, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

SECTION 4.03. PAYMENT OF ATTORNEY'S FEES AND EXPENSES. If an Event of Default should occur and be continuing under this Agreement and the Lessor should employ attorneys or incur other reasonable expenses for the collection of any amounts due and payable hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor by the Lessor, reimburse the Lessor for the reasonable fees and disbursements of such attorneys and such other reasonable expenses so incurred, whether or not an action is commenced.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE.

(A) No Remedy Exclusive: Notwithstanding anything to the contrary contained herein, no remedy herein conferred upon or reserved to the Lessor or the Company is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay: No delay or omission in exercising any right or power accruing upon the occurrence of an 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.

(C) Notice Not Required: In order to entitle the Lessor to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement.

(D) No Waiver: In the event any provision contained in this Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing.

ARTICLE V

MISCELLANEOUS

SECTION 5.01. TERM OF AGREEMENT.

(A) General: This Agreement shall become effective and the obligations of the Company and the Lessor shall arise absolutely and unconditionally upon the execution and delivery of this Agreement by the Company and the Lessor. This Agreement shall continue to remain in effect until the termination of the Installment Sale Agreement in accordance with its terms.

(B) Extended Term: In the event that (1) title to the Project Facility shall be conveyed to the Company, (2) on the date on which the Company obtains title to the Project Facility, the Project Facility shall be assessed as exempt upon the assessment roll of any one or more of the Taxing Entities solely as a result of the Lessor's prior ownership of the Project Facility, and (3) the fact of obtaining title shall not immediately obligate the Company to make pro rata tax payments pursuant to legislation similar to Chapter 635 of the 1978 Laws of New York (codified as subsection 3 of Section 302 of the Real Property Tax Law and Section 520 of the Real Property Tax Law), this Agreement shall remain in full force and effect but only to the extent set forth in this sentence and the Company shall be obligated to make payments to the Lessor in amounts equal to the Normal Tax which would be due from the Company if the Project Facility were owned by the Company and not the Lessor until the first tax year in which the Company shall appear on the tax rolls of the various Taxing Entities having jurisdiction over the Project Facility as the legal owner of record of the Project Facility. The Lessor agrees to work with the applicable taxing jurisdictions to prevent the Company from being subject to any double billing in such instance.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. LESSEE ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENT OF AGREEMENT. This Agreement may not be amended, changed, modified, altered, supplemented or terminated unless such amendment, change, modification, alteration or termination is in writing and unless signed by the party against which enforcement of the amendment, change, modification, alteration, supplement or termination shall be sought.

SECTION 5.05. NOTICES. All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (A) 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 (including, but not limited to, overnight delivery) or (B) delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery. The address to which notices, certificates and other communications hereunder shall be delivered are as follows:

(A) TO THE LESSOR:

Town of Clifton Park Industrial Development Agency
One Town Hall Plaza
Clifton Park, New York 12065
Attention: Chairman

WITH A COPY TO:

Jean M. Mahserjian, Esq.
Clifton Executive Park
1741 Route 9
Clifton Park, New York 12065

(B) TO THE LESSEE:

Ushers Road Partners, A California Limited Partnership
6901 Tujunga Avenue
North Hollywood, California 91605-2613
Attention: Peter Nadan, Director of Corporate Development

provided, that the Lessor and the Company may, by notice given hereunder to each of the others, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

SECTION 5.06. BINDING EFFECT. This Agreement shall inure to the benefit of, and shall be binding upon, the Lessor, the Company and their respective successors and assigns.

SECTION 5.07. SEVERABILITY. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

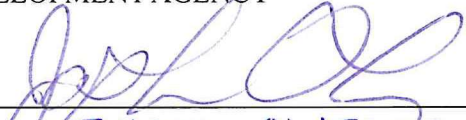
SECTION 5.08. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of New York including all matters of construction, validity and performance.

SECTION 5.09. ASSIGNMENT. This Agreement may not be assigned by the Company absent the prior written consent of the Lessor.

SECTION 6.09 EXISTING PILOT AGREEMENT. With the exception of payments in lieu of tax due with respect to the Addition, the terms, provisions and conditions of the Existing Pilot Agreement, including but not limited to, payments in lieu of taxes due and owing with respect to the Existing Facility and the Land, remain in full force and effect and shall not be deemed modified or impaired by the provisions of this Agreement.

IN WITNESS WHEREOF, the Lessor and the Company have caused this Agreement to be executed in their respective names, all being done as of the date first above written.

TOWN OF CLIFTON PARK INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Name: JOSHUA O'LEARY
Name: CHAIRPERSON

USHERS ROAD PARTNERS, A CALIFORNIA LIMITED
PARTNERSHIP

BY: BOBRICK WASHROOM EQUIPMENT, INC., Its
General Partner

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Lessor and the Company have caused this Agreement to be executed in their respective names, all being done as of the date first above written.

TOWN OF CLIFTON PARK INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name: _____
Name: _____

USHERS ROAD PARTNERS, A CALIFORNIA LIMITED
PARTNERSHIP

BY: BOBRICK WASHROOM EQUIPMENT, INC., Its
General Partner

By: _____
Name: Peter Nadan
Title: Director of Corporate Development

EXHIBIT "A"
DESCRIPTION OF LAND

ALL THAT CERTAIN TRACT, PIECE OR PARCEL OF LAND situate in the Town of Clifton Park, County of Saratoga, State of New York lying along the easterly side of the Adirondack Northway, (Interstate Route No. 37) and approximately 400 feet south of the centerline of Ushers Road identified as Lot No. 200 Commerce Drive as shown on a map entitled "Subdivision Plan - Ushers Industrial Park" dated February 24, 1994 as prepared by The Environmental Design Partnership and filed in the Saratoga County Clerk's Office on July 20, 1994 in Drawer "U" as Map No. 25A and being further bounded and described as follows:

Commencing at the point of intersection of the southerly right of way line of Ushers Road (N.Y.S. Route No. 911T) with the common division line of lands now or formerly of Hugh D. Roberts and Kathryn Christina Roberts as conveyed in Book 1082 of Deeds at Page 68 to the east and lands of Donald C. Greene to the west, said common division line to be the east line of a proposed 60 foot wide Town Road to be known as Commerce Drive as shown on said map; thence along said common division line, South 02 deg. 51 min. 00 sec. East, 215.15 feet to an iron rod found at the southwest corner of said lands of Roberts; thence crossing said proposed 60 foot wide Town Road on a skewed angle to said proposed road, South 19 deg. 03 min. 50 sec. West, 140.03 feet to a point on the westerly right of way line of said proposed 60 foot wide Town Road and being the point of beginning of the parcel herein being described; thence from said point of beginning in a general southeasterly direction

along the southwesterly side of the proposed 60 foot wide Town Road right of way along a curve to the left an arc length of 387.56 feet, said curve having a radius of 330.00 feet and connected by a chord of South 48 deg. 55 min 50 sec. East, 365.67 feet to a point of reverse curvature in the southerly line of said proposed 60 foot wide Town Road right of way; thence through lands of Donald C. Greene the following two (2) courses and distances:

1) South 07 deg. 25 min. 30 sec. West, 434.19 feet to a point;

2) South 75 deg. 07 min. 30 sec. West, 492.14 feet to a point

in the east right of way line of the Adirondack Northway, (Interstate Route No. 87); thence along said east right of way line the following two (2) courses and distances:

1) North 14 deg. 52 min. 30 sec. West, 95.00 feet to a point;

2) North 10 deg. 51 min. 30 sec. West, 630.40 feet to an angle point in said east line; thence through lands of Donald C. Greene, North 77 deg. 49 min. 00 sec. East, 408.42 feet to the

point or place of beginning.

Subject to an easement for Karner Blue Butterfly Habitat Management area over and on lands set forth in Schedule A, above, situate in the Town of Clifton Park, County of Saratoga, State

of New York lying northerly of lands now or formerly of The Delaware and Hudson Railroad Company, southerly of Ushers Road

and along the easterly right of line of lands of The People of the State of New York Adirondack Northway, Interstate Route 87

and being further bounded and described as follows:

Beginning at a point in the easterly right of way line of lands of The People of the State of New York, Adirondack Northway, Interstate Route 87 located North 14 deg. 52 min. 30 sec. West, 217.76 feet from the point of intersection of said easterly right of way line with the northerly line of lands now or

formerly of The Delaware and Hudson Railroad Company; thence from said point of beginning along said easterly right of way line the following two (2) courses and distances:

1) North 14 deg. 52 min. 30 sec. West, 95.00 feet to an angle point; 2) North 10 deg. 51 min. 30 sec. West, 38.00 feet to a point; thence through the above described parcel of land the following five (5) courses and distances:

1) North 78 deg. 52 min. East, 338.70 feet to a point; 2) South 74 deg. 20 min. East, 23.20 feet to a point; 3) North 81 deg. 15 min. East, 75.00 feet to a point; 4) South 46 deg. 54 min. 40 sec. East, 107.36 feet to a point being the southeast corner of Lot No. 200 Commerce Drive, Ushers Industrial Park; 5) thence along the south line of Lot No. 200, South 75 deg. 07 min. 30 sec. West, 492.14 feet to the point or place of beginning, said easement area to contain 1.223± acres of land.

Together with a right of ingress and egress to and from Ushers Road along the proposed 60 foot wide Town right of way to be known as Commerce Drive as mentioned in the above description until such time as said proposed right of way becomes a dedicated Town Highway.

Subject to an easement conveyed to Hudson River Power Transmission Company dated January 12, 1898, and recorded on May 20, 1898, in Book 220 of Deeds at Page 250.

Subject to an easement conveyed to Adirondack Electric Power Corporation by Deed dated February 18, 1913, and recorded February 24, 1913, in Book 283 of Deeds at Page 161.

Subject to an easement conveyed to Niagara Mohawk Power Corporation by Deed dated December 10, 1959 and recorded in the Saratoga County Clerk's Office in Book 684 of Deeds at Page 265.

Grantee and its successors and assigns covenant and confirm by this Correction Deed that it accepts and shall be bound by restrictions and obligations, except as may be modified and corrected herein as set forth below, applicable to the premises conveyed herein and to Bobrick Washroom Equipment, Inc., in accordance with a management plan executed by said Bobrick Washroom Equipment, Inc., entitled "MANAGEMENT, MITIGATION, AND

REMEDICATION PLAN FOR THE KARNER BLUE BUTTERFLY HABITAT AREAS LOCATED AT THE USHERS ROAD INDUSTRIAL PARK, CLIFTON PARK, NEW YORK" together with a Rider to same, both dated July 15, 1994, hereinafter collectively referred to as the "Plan", and which Plan is set forth in and made a part of a Deed dated July 22, 1994 and recorded in the Saratoga County Clerk's Office on July 28, 1994 in Book 1390 of Deeds at Page 603, the primary purpose of which is designed to protect and promote wild blue lupine and Karner Blue Butterfly habitats, as the case may be, as same may be located at the lands subject to this conveyance. Grantee and its successors and assigns covenant and confirm that it shall be obligated to comply with, and shall comply with such Plan, and herewith accepts such restrictions and acknowledges that the land subject to this conveyance shall reap the benefits and bear the burdens of same, as the case may be, as set forth in the Plan. Both parties herein agree that references in said "Plan" to Lot 2, Lot 3 and Lot 3A are deemed corrected to refer to Lot 200 and Lot 300 and Lot 300A respectively and further that the conservation easement to be granted to the Saratoga County Land Conservancy, Inc., is more appropriately and herein shall be and is described as set forth in Schedule B attached hereto and made a part hereof.

The restrictions set forth in said Plan shall operate as covenants running with the land for the benefit of any and all persons or entities who now may own, or who may hereafter own, said property or to whom an easement shall hereinafter be granted in accordance with said plan, and for the benefit of the citizens of the Town of Clifton Park, and those of the State of New York.

This conveyance is made subject to a conservation easement over 1.223 + or - acres of land as described herein above which shall be granted to the Saratoga Land Conservancy, Inc., by the Grantee herein together with other easements as set forth in said Plan above referred to, over lands conveyed herein, pursuant to the provisions of said Plan.

This conveyance is made subject to an easement over the easterly portion of Lot 200 from Commerce Drive to the Conservation Easement Area for ingress and egress to said Saratoga Land Conservancy, Inc., over lands conveyed herein to access a portion of remaining lands of the subdivision currently owned by the Grantor and said lands are currently designated on a subdivision map of Lands of Donald C. Greene, filed as set forth in Schedule A herein, as Lot 300A, it being the intent of the Grantor herein to convey title to a portion of said lands in accordance with the Plan as above set forth to said Saratoga Land Conservancy, Inc.

This conveyance is made subject to and reserving to the Grantor herein an easement for ingress and egress to remaining lands of the subdivision currently owned by the Grantor and said lands are currently designated on said subdivision map as Lot 300A.

Concomitant hereto, this conveyance to the Grantee herein is made further subject to a grant of the right of entry to the New York State Department of Environmental Conservation to the premises to be conveyed herein and to that portion of lands located at Lot 300A to be later conveyed to the Saratoga County Land Conservancy, Inc., at such times as deemed necessary and or appropriate to ensure full compliance with Plan.

"GRANTOR" herein means: Donald C. Greene
"GRANTEE" herein means: Ushers Road Partners, A California Limited Partnership, its successors and/or assigns