

MEMORANDUM OF UNDERSTANDING

This **Memorandum of Understanding** ("MOU") takes effect on March 25, 2014 ("Effective Date") and is between COR Development Company, LLC ("COR"), a New York limited liability company with its principal office located at 540 Towne Drive, Fayetteville, New York 13066, and Fort Schuyler Management Corporation ("FSMC"), a New York not-for-profit corporation having an office located at SUNYIT, 100 Seymour Road, Utica, New York 13502. COR and FSMC are sometimes referred to in this MOU individually as a "Party" and together as the "Parties".

I. OVERVIEW

I.1. New York State ("NYS") under the leadership of Governor Andrew Cuomo has led the U.S. in multi-billion dollar strategic investments in high technology programs that cover the entire spectrum of nanotechnology industry needs, from long-term innovative research and development, to workforce development and education, to product prototyping and supporting the transition to scale-up manufacturing and commercialization.

I.2. NYS' comprehensive job creation and economic growth agenda for NYS provides strategic investments for job creation in emerging high-tech industries across NYS and fosters critical collaborations between NYS government, the private sector and NYS's top-flight universities and research institutions. This agenda is embodied by the commitment of NYS to, and the growth of, CNSE and the public-private collaborations that CNSE operates throughout NYS with CNSE's public and private university and industry partners.

I.3. Governor Andrew Cuomo has identified economic growth in NYS as a leading focus for NYS government, seeking to invest significant levels of financial support for public-private collaborations throughout the Erie-Mohawk Corridor of NYS by constructing state-of-the art facilities that leverage CNSE's capabilities and partners.

I.4. COR is a full service real estate firm specializing in property development, construction, management, and brokerage services.

I.5. FSMC helps facilitate research and economic development activities related to the research and education mission of the State University of New York ("SUNY") by purchasing, constructing, developing and managing facilities and promoting the research therein which support economic development, research activities, and the mission of SUNY.

I.6. FSMC and the SUNY College of Nanoscale Science and Engineering ("CNSE") are developing comprehensive initiatives throughout NYS for research, technology outreach, business development, manufacturing, and education and training hubs.

I.7 CNSE is a critical enabling component in maintaining and bolstering NYS' position as a leader in nanotechnology. CNSE has leveraged the experience it has obtained from its success in nano-electronics and has expanded its programs and collaborations throughout NYS into other high technology areas.

I.8. FSMC in conjunction with CNSE issued a request for proposals ("RFP") to establish a strategic research, technology outreach, business development, manufacturing, and education and training workforce collaboration with a qualified developer in the Greater Syracuse Area.

I.9. CNSE, with an industry collaborator, desires to establish a first of kind accredited Film Nano-School at CNSE in Albany, New York, and in connection with the Film Nano-School to create a hub in the Greater Syracuse Area for the location of headquarters, production, post-production, and distribution operations of an established film/television company.

I.10. COR responded to the RFP with a proposal and, after a competitive process including the RFP, FSMC has conditionally selected COR for award of a project, and FSMC now wishes for COR to develop and construct a facility in the Greater Syracuse Area to house the location for the headquarters and production, post-production, and distribution operations of an established film/television company in support of CNSE's collaboration with CNSE's industry collaborator.

In view of the foregoing, the Parties set forth in this MOU an expression of interest to engage in good faith negotiations in contemplation of a closer collaboration to establish the objectives set forth below. As the Parties embark upon negotiations, they wish to express their preliminary understanding of the key issues set forth this MOU. The Parties are bound by the terms of this MOU until the earlier of the expiration of this MOU or such time as the critical issues set forth in this MOU are fully negotiated and documented in a final definitive contract ("Final Contract") signed by FSMC and COR.

II. PURPOSE

The purpose of this MOU is to provide a framework for collaboration between FSMC and COR to establish certain key terms and conditions under which COR will develop and construct a facility in the Greater Syracuse Area to house the location for the headquarters and production, post-production, and distribution operations of an established film/television company in support of CNSE's collaboration with CNSE's industry collaborator.

III. PROPERTY DEVELOPMENT TERMS AND CONDITIONS

COR will develop for FSMC the Building (as defined below) on property ("Property") consisting of approximately 7.6 acres and located in the Collamer Crossings Business Park at 24 Aspen Park Boulevard, Dewitt, New York 13057 as identified on Exhibit A, all in accordance with the following terms and conditions:

- ❖ COR or an entity wholly owned by COR will enter into a ground lease ("Ground Lease") with FSMC for the lease of the Property to provide for the construction of a 52,000 SF building (the "Building");
- ❖ COR will seek to obtain on or before March 13, 2014 all development approvals necessary to finance and construct the Building;
- ❖ The Building shall be architecturally consistent with and based on the shell drawings utilized in the construction of the building that is located on property adjacent to the Property, as shown on Exhibit B;
- ❖ The Ground Lease with FSMC will include the lease of the real property, infrastructure, and supporting site work on the Property, e.g. parking, landscaped areas, lighting, etc.;
- ❖ The Ground Lease will have an initial term of twenty (20) years, and FSMC will be provided under the Ground Lease with the right to exercise two (2) five (5) year options to extend the initial twenty (20) year term of the Ground Lease;
- ❖ The Ground Lease annual rent will be \$300,000 for the initial twenty (20) year term. If FSMC exercises its first five (5) year option to extend the initial term of the Ground Lease, the Ground Lease annual rent will be \$315,000 during the first five (5) year extended term. If FSMC exercises its second five (5) year option to extend the initial term of the Ground Lease, the Ground Lease annual rent will be \$330,750 during the second five (5) year extended term. The Ground Lease will be a gross lease.
- ❖ The Building and all related improvements constructed by COR on the Property will be owned by FSMC or an FSMC affiliated entity ("FSMC Entity");
- ❖ The Building shall be constructed on an open book basis at cost, plus eight percent (8%) and a mutually agreeable development fee, but in no event will the cost to FSMC for the Building exceed \$9 million, which will include \$1 million for site work on the Property;
- ❖ Construction, presuming that COR is able to stay within the framework of the existing pre-approved 52,000SF Building, would progress as follows:
 - Site clearing to begin within 2 weeks of the Effective Date;
 - Building shell drawings with 2-3 weeks of the Effective Date;
 - Order building steel within 3-4 weeks of the Effective Date;
 - Begin building foundations with 2-4 weeks of the Effective Date;
 - Building delivery and occupancy within 6-8 months of the Effective Date, depending upon the extent of the interior build out;

- ❖ COR shall, simultaneously with the construction of the Building, obtain all Phase 2 development approvals for the construction of a second building to provide FSMC with an additional approximately 52,000 SF of space;
- ❖ Construction of the second building shall begin within 6-8 months of the Effective Date, if FSMC so elects; and
- ❖ Under no circumstances will the cost to FSMC for all amounts payable for the transactions contemplated by this MOU for the initial twenty (20) year term of the Ground Lease exceed \$15 million, including, without limitation, payments by FSMC under the Ground Lease for the initial twenty (20) year term of the Ground Lease, but excluding construction of the second building.

IV. START-UP NY

The Parties shall work in good faith for the Building to be designated under the SUNY Tax Free Areas to Revitalize and Reform Upstate New York ("STARTUP-NY) Program.

V. FUNDS

Each Party shall be responsible for funding its own activities under this MOU. The scope of the activities under this MOU shall be determined by the funds available to each Party for the collaboration under this MOU and by financial assistance as may be obtained by either Party from external sources. No funds of either Party are in any way committed or obligated for any purpose whatsoever by virtue of entering into this MOU. This MOU does not identify or require the transfer of funds between the Parties. This MOU shall not be construed to authorize or guarantee funding for any proposals or applications submitted for funding, nor shall it be construed as a guarantee of future funding nor shall this MOU be construed as an endorsement of any proposal or application submitted by any Party or non-Party.

VI. FINAL CONTRACT(S)

The Parties agree and acknowledge that the precise terms and conditions associated with the each project undertaken by the Parties pursuant to this MOU will be governed by one or more Final Contracts that will be separately signed written agreements entered into by COR and FSMC. The Parties acknowledge that entry into a Final Contract(s) may be subject to a multitude of material conditions precedent, including, but not limited to, each Party's review and approval of the Final Contract(s) and successful negotiation of related agreements, if any.

VII. TERM AND TERMINATION

This MOU shall be effective for a term ("Term") of 120 days following the Effective Date, unless earlier terminated in accordance with this MOU. The Parties may extend the Term of this MOU by an amendment to this MOU signed by both Parties.

VIII. PUBLICATION AND PUBLICITY

Press releases and any publicity or other communication or disclosure by any Party to a non-Party regarding this MOU, the relationship among the Parties, or the negotiation of any proposed Final Contract(s) must be approved by all Parties in writing prior to any such press release, public announcement or other disclosure, excluding any communication to another Party to this MOU, internally within any Party (including with such Party's financial, legal and other advisors).

IX. CONFIDENTIAL INFORMATION

The Parties agree that the terms and conditions set forth in Schedule A shall govern Confidential Information (as defined in Schedule A) during the Term of this MOU.

X. USE OF NAME

Nothing contained in this Agreement shall be construed as conferring any right to use in advertising, publicity or other promotional activities any name, trade name, trademark or other designation of either Party (including any contraction, abbreviation or simulation of any of the foregoing).

XI. NOTICE

All communications, notices and disclosures required or permitted by this Agreement shall be in writing, shall be provided to the other Party and shall be deemed to have been given at the earlier of the date when actually delivered to the other Party or when deposited in the United States mail, certified or registered mail, postage prepaid, return receipt requested, by hand delivery, by overnight courier service with signed receipt or by facsimile transmission (with written confirmation of receipt thereof), and addressed as follows, unless and until either Party notifies the other Party of a change of address:

To FSMC:
Alicia Dicks, President
SUNYIT
100 Seymour Road
Utica, New York 13502

To COR:
Steven F. Aiello, President
COR Development Company, LLC
540 Towne Drive
Fayetteville, New York 13066

XII. NO LIABILITY

No Party shall make a claim against, or be liable to, the other Party or its affiliates or agents for any damages, including (without limitation) incidental, consequential, special, direct or indirect, punitive, damages or lost profits or injury to business reputation, resulting from the continuation or abandonment of negotiations. A Party's undertaking to develop information or technology and/or acquire personnel or capital assets or other detrimental reliance in expectation of a Final Contract shall be at its own risk and such Party shall not make a claim against any other Party for any such reliance damages.

XIII. GOVERNING LAW AND JURISDICTION

This MOU will be governed by and interpreted exclusively under the laws of the State of New York, without regard to its choice of law rules. The Parties will comply with all applicable federal, state and local laws and regulations with respect to this MOU. In case of any dispute concerning or arising out of this MOU that cannot be resolved by the Parties in good faith, such dispute shall be finally settled and venue shall be exclusively held in any appropriate state or federal court in the County of Albany, State of New York. Each Party consents to exclusive jurisdiction and venue of such courts.

XIV. MISCELLANEOUS

XIV.1 No amendment or modification of this MOU shall be valid or binding upon the Parties unless in a writing signed by both of the Parties.

XIV.2 This MOU may be signed in one or more counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute the same MOU. Any signed copy of this MOU made by photocopy, facsimile or Adobe PDF format shall be considered an original.

XIV.3 All agreements drafts, term sheets, memoranda, if any, and other communications respecting the agreements or activities related thereto prepared or exchanged in the course of negotiations, even if signed by one or both of the Parties, shall be considered only preliminary and shall not be legally binding unless subsequently incorporated into this MOU by an amendment or into a Final Contract.

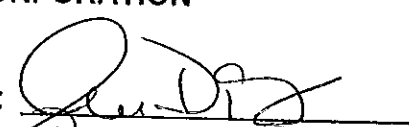
XIV.4 This MOU represents the complete understanding between the Parties as it relates to the subject matter in this MOU and supersedes any prior and contemporaneous communications, understandings or agreements, oral or written, between the Parties as it relates to the subject matter.

IN WITNESS WHEREOF, each Party has caused this MOU to be signed by its duly authorized representative as follows:

COR DEVELOPMENT COMPANY, LLC

FORT SCHUYLER MANAGEMENT CORPORATION

By: 
Title: Steven F. Aiello, President

By: 
Title: PRESIDENT, FSMC

Date: March 25, 2014

Date: March 26, 2014

Schedule A
CONFIDENTIALITY

Purpose

Each of the Parties may disclose and receive Confidential Information (defined below) from the other Party, for the limited purpose ("Purpose") of evaluating the suitability of entering into one or more Final Contracts as identified in the MOU.

Disclosure of Confidential Information

"Confidential Information" means all information that is maintained in confidence by a Party ("Owning Party") and is disclosed to or obtained by the other Party in connection with and during the Term of this MOU, including, but not limited to, information that relates to such Owning Party's past, present or future research, development, manufacturing, or business activities. Either Party ("Disclosing Party") may disclose its confidential information to the other Party ("Receiving Party") orally, in writing or by other media or transfer of materials including graphic, photographic, recorded, prototype, sample, or other tangible or permanent form clearly and obviously marked "confidential" or "proprietary". Electronic information will be adequately marked if the container is marked and if a proprietary legend displays when the information runs on a computer system and when the information is printed from its data file.

When disclosed orally, Disclosing Party shall identify the information as confidential at the time of such disclosure, with subsequent written confirmation to Receiving Party within thirty (30) days of such disclosure indicating the date and type of information disclosed. All restrictions provided herein regarding use and/or disclosure shall apply during such thirty-day period.

Protecting confidential information

Receiving Party will retain Disclosing Party's Confidential Information in confidence for three (3) years from the date of disclosure. Receiving Party will not disclose, disseminate, or publish any of Disclosing Party's Confidential Information to any person except employees or agents of Receiving Party on a need to know basis. Receiving Party shall ensure that such employees or agents shall be bound by terms at least as protective as the terms of this Schedule A. Each Party warrants that employees or agents shall comply with the terms of this Schedule A. Upon the termination or expiration of this MOU, the Parties shall confer regarding the status of Confidential Information disclosed and/or created under this MOU.

All right, title and interest in patents, copyrights, trademarks, data, designs, drawings, blueprints, tracings, plans, layouts, specifications, formulae and any and all other Confidential Information which are furnished to the Receiving Party shall be and remain

EXHIBIT A

the exclusive property of the Disclosing Party. The Parties recognize and agree that nothing contained in MOU shall be construed as granting any property rights, by implication, license or otherwise, to any Confidential Information of the other Party disclosed pursuant to the MOU, or to any invention or any patent, copyright, trademark, or other intellectual property.

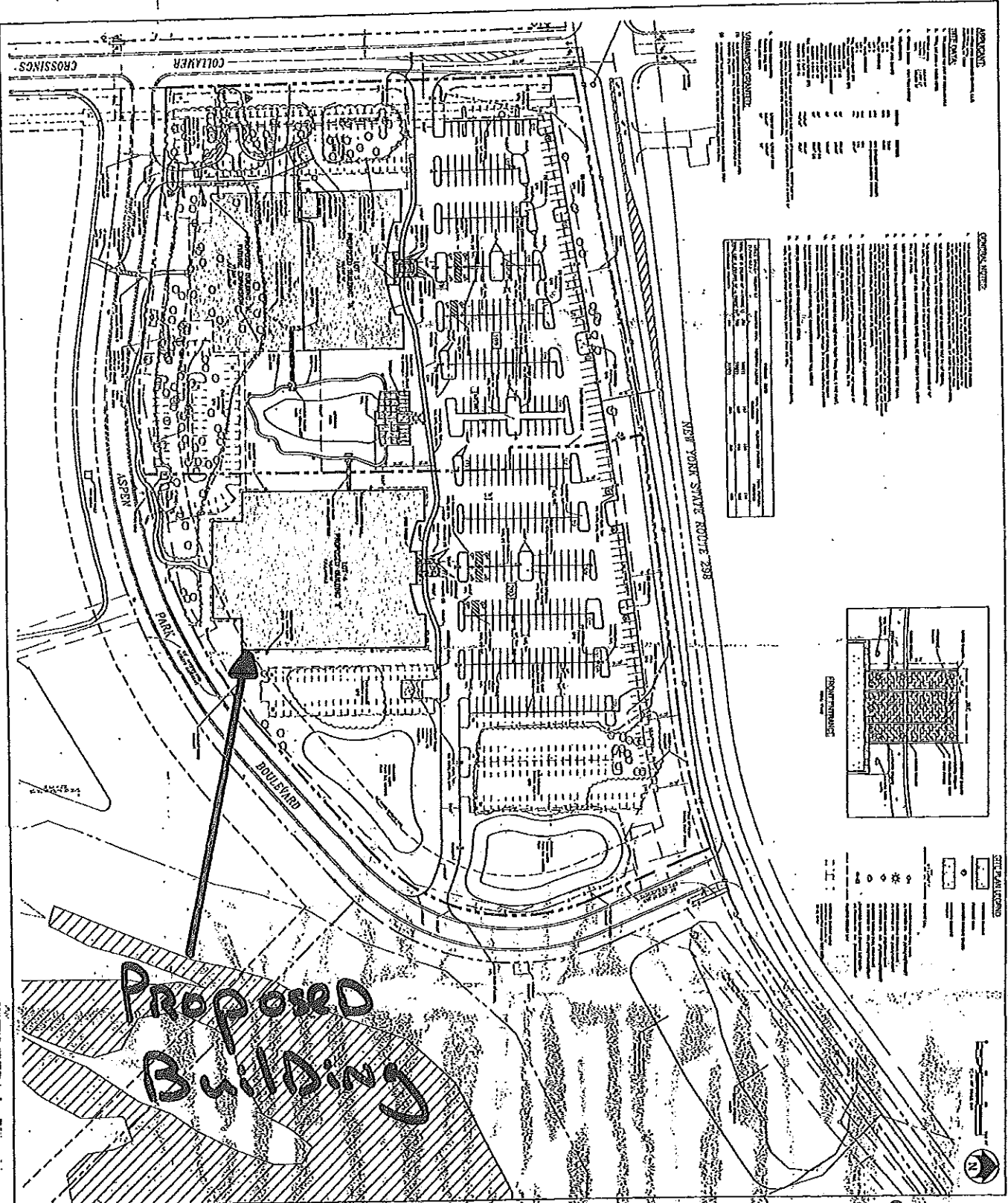
Each Party agrees to not make, use, sell, offer for sale, or have made, any product or service based upon the Confidential Information provided to it without the Disclosing Party authorizing such use in writing. Each Party further agrees not to reproduce in any form (except as required to accomplish the Purpose), analyze, modify, reverse engineer, decompile, create other works from, or disassemble the Confidential Information disclosed to it or any samples of tangible materials included therein.

The Receiving Party shall be held to the same standard of care in protecting such information as the Receiving Party normally employs to preserve and safeguard its own Confidential Information of similar kind.

Exclusions; Required Disclosure

Receiving Party's obligations regarding Disclosing Party's Confidential Information shall not apply to information (a) that was already known to Receiving Party prior to the disclosure of such information to Receiving Party by Disclosing Party, (b) that is or becomes publicly available through no act or fault of Receiving Party, (c) that is rightfully received by Receiving Party from a third-party having no obligation of confidentiality to Disclosing Party, or (d) that is independently developed by Receiving Party.

In the event the Receiving Party is required by law, regulation, or court order to disclose any of the Disclosing Party's Confidential Information, the Receiving Party will notify the Disclosing Party in writing prior to making such disclosure in order to facilitate the Disclosing Party seeking a protective order or other appropriate remedy from the appropriate legal body. The Receiving Party further agrees that if the Disclosing Party is not successful in precluding the requesting legal body from reviewing the Confidential Information, it will furnish only that portion of the Confidential Information which is legally required and will exercise all reasonable efforts to obtain reliable assurances that confidential treatment will be accorded the Confidential Information.

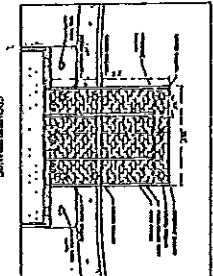


Proposed Building

APPENDIX
 GENERAL NOTES
 1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE STANDARD SPECIFICATIONS FOR HIGHWAY CONSTRUCTION, AS ADOPTED BY THE NEW YORK STATE THROTTLE BOARD.
 2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
 3. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AND UTILITIES AT ALL TIMES.
 4. ALL UTILITIES SHALL BE PROTECTED AND DEEPENED AS NECESSARY.
 5. THE CONTRACTOR SHALL MAINTAIN ADEQUATE DRAINAGE THROUGHOUT THE PROJECT.
 6. ALL EROSION CONTROL MEASURES SHALL BE INSTALLED AND MAINTAINED THROUGHOUT CONSTRUCTION.
 7. THE CONTRACTOR SHALL MAINTAIN ADEQUATE ACCESS TO ALL ADJACENT PROPERTIES AND UTILITIES AT ALL TIMES.
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NO.	DESCRIPTION	QUANTITY	UNIT
1	ASPHALT PAVEMENT	100,000	SQ. YD.
2	CONCRETE PAVEMENT	50,000	SQ. YD.
3	GRAVEL	200,000	CY.
4	CRACK SEALANT	10,000	LB.
5	PAVEMENT MARKING	10,000	LINEAL FT.
6	CONCRETE CURB	5,000	LINEAL FT.
7	CONCRETE SIDEWALK	10,000	SQ. YD.
8	CONCRETE DRIVEWAY	5,000	SQ. YD.
9	CONCRETE DRIVEWAY	5,000	SQ. YD.
10	CONCRETE DRIVEWAY	5,000	SQ. YD.



SITE PLAN LEGEND
 [Symbol] Building Footprint
 [Symbol] Parking Space
 [Symbol] Driveway
 [Symbol] Sidewalk
 [Symbol] Curb
 [Symbol] Utility Line
 [Symbol] Erosion Control Measure
 [Symbol] Proposed Building

Collamer Crossings
 Aspen Buildings I & II
 Town of Owego
 County of Otsego
 State of New York
 13926

COR Aspen Park Boulevard Company, L.L.C.
 540 TOWN DRIVE
 FAYETTEVILLE, NY 13966

Bergmann Associates

C100

FINAL SITE PLAN

EXHIBIT B

