

Empire State Development

November 21, 2014

Ms. Alicia Dicks
President
Fort Schuyler Management Corporation
100 Seymour Drive
Utica, NY 13502

Re: Fort Schuyler Management Corporation/River Bend Park Capital, Project #Z328

Dear Ms. Dicks:

It is noted that a Grant Disbursement Agreement ("GDA") has been executed between the New York State Urban Development Corporation d/b/a Empire State Development ("ESD") and Fort Schuyler Management Corporation on behalf of the State University of New York College of Nanoscale Science and Engineering dated August 19, 2014 for the above-referenced project.

I am pleased to enclose two (2) signed Grant Disbursement Agreement Amendments (the "Amendment") that will become effective upon your return of one fully executed copy to ESD.

Please contact Jean Williams your Project Manager, at (716) 846-8243, should you have any questions. We look forward to continue working with you on this project.

Very truly yours,



Edwin Lee
Assistant Vice President, Loans and Grants

Enclosures

C: Jean Williams
Christina Orsi

GRANT DISBURSEMENT AGREEMENT AMENDMENT by and between the New York State Urban Development Corporation d/b/a Empire State Development ("ESD") and Fort Schuyler Management Corporation on behalf of the State University of New York College of Nanoscale Science and Engineering (the "Grantee").

ESD and the Grantee have entered into a Grant Disbursement Agreement with respect to the Project described below and desire to amend such agreement on the following terms:

PROJECT NAME:	Fort Schuyler Management Corporation/RiverBend Park Capital
PROJECT NUMBER:	Z328
ORIGINAL GRANT AMOUNT:	\$107,000,000
ESD APPROVAL DATE:	June 27, 2014
PACB APPROVAL DATE:	July 16, 2014

Additional terms and conditions, if any, are set forth in Attachment A.

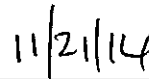
All other terms and conditions of the Grant Disbursement Agreement, except as modified herein, shall remain in full force and effect.

This agreement is entered into as of the latest date written below:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT

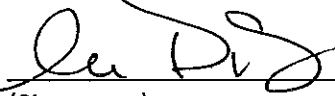


(Signature) Edwin Lee, Assistant Vice President, Loans and Grants

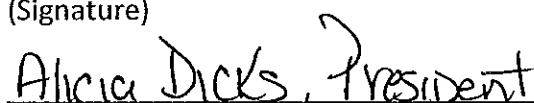


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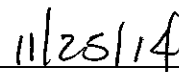
FORT SCHUYLER MANAGEMENT CORPORATION ON BEHALF OF
THE STATE UNIVERSITY OF NEW YORK COLLEGE OF NANOSCALE
SCIENCE AND ENGINEERING



(Signature)



(Printed name and title)



(date)

Attachment A

Contents

Additional Conditions: None

Revised List of Exhibits (Revised November 21, 2014)

Revised Exhibit E: Disbursement Terms (Revised November 21, 2014)

Revised Exhibit F: Capital Grant Payment Requisition Form (Revised November 21, 2014)

Exhibit I-1: ESD Investment Regulations

**ESD CAPITAL GRANT DISBURSEMENT AGREEMENT
EXHIBITS (Revised November 21, 2014)**

EXHIBIT A	General Project Plan
EXHIBIT B	Design & Construction Requirements
EXHIBIT C	Employment Goals & Recapture Terms
EXHIBIT D	Opinion of Counsel
EXHIBIT E	Disbursement Terms
EXHIBIT F	Payment Requisition Form
EXHIBIT F-1	Financial Condition Documentation
EXHIBIT F-2	Project Cost Documentation
EXHIBIT F-3	Equity Expenditure Documentation
EXHIBIT G	Non-Discrimination and Contractor & Supplier Diversity – Requirements and Procedures
EXHIBIT G-1	M/WBE Participation / Equal Opportunity Policy Statement
EXHIBIT G-2	Staffing Plan
EXHIBIT G-3	Workforce Employment Utilization Report
EXHIBIT G-4	M/WBE Utilization Plan
EXHIBIT G-5	Waiver Request Form
EXHIBIT G-6	M/WBE Contractor Compliance and Payment Report
EXHIBIT H	Employment Reporting Form (With Company's NYS Form 45 Attached)
EXHIBIT H-1	Report of Employment Affidavit in Lieu of Authorization to View Form NYS-45
EXHIBIT I	Special Provisions
EXHIBIT I-1	ESD Investment Regulations

EXHIBIT E: DISBURSEMENT TERMS
(Revised November 21, 2014)

Disbursement

Subject to the terms and conditions of this Agreement and receipt of the fees as set forth below, ESD shall disburse the Grant in up to five disbursements upon submission of the documentation set forth below:

Fees: Reimbursement for out-of-pocket expenses \$ 899.50 - **PAID**

Up to \$107,000,000 will be disbursed as follows:

I. Initial Disbursement

An Initial Disbursement of \$2,727,440.08 was disbursed following presentation of an invoice totaling \$2,727,440.08 and documentation for the real estate acquisition of 308, 310 and 312 Abby Street, 321 and 364 Baraga Street and 0 Tifft Street. Expenditures reimbursed by ESD's grant were incurred after June 1, 2013.

II. Second Disbursement

A Second Disbursement of \$8,180,405 is in the process of being disbursed based upon documentation of the costs of the real estate acquisition for 1339 and 1341 South Park Avenue and 14 Buffalo River Road totaling \$2,509,864 and for invoices due and payable during the course of site and infrastructure development totaling \$5,670,541, in compliance with ESD Design and Construction Requirements, assuming funds are available. Expenditures reimbursed by ESD's grant were incurred after June 1, 2013.

III. Third Disbursement

A Third Disbursement of an amount equal to \$34,092,154.92 will be deposited as an advance in an Imprest Account* upon ESD's receipt of an invoice and other documentation as ESD may require. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for real estate acquisition and during the course of site and infrastructure development and facility construction, in compliance with ESD Design and Construction Requirements, assuming all project approvals have been completed and funds are available and the Grantee has fully documented 100% of the Initial and Second Disbursements. Each subsequent disbursement request from the Imprest Account will include the current month's invoices and proof of payment for invoices submitted for the previous month. Expenditures must be incurred on or after June 1, 2013 to be considered eligible project costs.

EXHIBIT E: DISBURSEMENT TERMS, continued
(Revised November 21, 2014)

IV. Fourth Disbursement

A Fourth Disbursement of an amount equal to \$50 million will be disbursed to the Grantee upon full documentation of eligible expenditures of at least 100% of the First Disbursement and Second Disbursement and 75% of the Third Disbursement (\$36,476,961). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for real estate acquisition and during the course of site and infrastructure development and facility construction, in compliance with ESD Design and Construction Requirements, assuming all project approvals have been completed and funds are available. Each subsequent payment requisition will include the current month's invoices and proof of payment for invoices submitted for the previous month. Expenditures must be incurred on or after June 1, 2013 to be considered eligible project costs.

V. Final Disbursement

A Final Disbursement of an amount equal to \$12 million will be disbursed to the Grantee upon documentation of eligible expenditures of at least 100% of the First Disbursement, Second Disbursement and Third Disbursement and at least 75% of the Fourth Disbursement (\$82,500,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for real estate acquisition and during the course of site and infrastructure development and facility construction, in compliance with ESD Design and Construction Requirements, assuming all project approvals have been completed and funds are available. Each subsequent payment requisition will include the current month's invoices and proof of payment for invoices submitted for the previous month. Expenditures must be incurred on or after June 1, 2013 to be considered eligible project costs.

Within 12 months of the Final Disbursement, ESD will require full documentation of eligible expenditures including invoices and proof of payment of 100% of the Initial Disbursement, Second Disbursement, Third Disbursement, Fourth Disbursement and Final Disbursement (\$107 million cumulative) and proof of project completion as evidenced by certificates of completion/occupancy.

All disbursements must be requested by April 1, 2019.

ESD will be entitled to recoup any advanced funds that are not disbursed by Grantee to vendors by June 30, 2019.

All disbursements are subject to recapture as set forth in Exhibit C.

EXHIBIT E: DISBURSEMENT TERMS, continued
(Revised November 21, 2014)

ESD reserves the right to require additional documentation to support payment requisitions.

*The Third Disbursement, Fourth Disbursement and Final Disbursement will be deposited into an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. Funds from the Imprest Account will be used for real estate acquisition and during the course of site and infrastructure development and facility construction. ESD shall be provided with copies of all account statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

Wire Transfer Information:

If ESD assistance is \$10,000 or greater, please provide:

A letter from a financial officer of the Grantee certifying to the accuracy of the following information:

Bank Name: _____

ABA #: _____

Acct. Name: _____

Acct. #: _____

EXHIBIT F: CAPITAL GRANT PAYMENT REQUISITION FORM
(Revised November 21, 2014)

Payment Request # _____ for \$ _____ for work completed between _____ and _____.

Note to Grantee: **Do not re-type this form.** Fill in only the version included in the executed GDA. ESD funds may be applied by Grantee in payment or reimbursement of the following costs:

USES	A: ESD SHARE	B: ESD APPROVED REVISIONS	C: THIS REQUEST	D: TOTAL REQUESTED TO DATE	E: A-C-D BALANCE
Real Estate Acquisition	\$ 2,727,440.08				
Real Estate Acquisition, Site & Infrastructure Developments	8,180,405.00				
Real Estate Acquisition, Site & Infrastructure Developments, Facility Construction	34,092,154.92				
Real Estate Acquisition, Site & Infrastructure Developments, Facility Construction	50,000,000.00				
Real Estate Acquisition, Site & Infrastructure Developments, Facility Construction	12,000,000.00				
TOTAL	\$107,000,000.00				

CERTIFICATION

I hereby warrant and represent to Empire State Development ("ESD") that:

- 1) To the best of my knowledge, information and belief, the expenditures for which Fort Schuyler Management Corporation is seeking payment and/or reimbursement comply with the requirements of the Agreement between ESD and Fort Schuyler Management Corporation, are eligible expenses, and that the payment and/or reimbursement of expenditures for which it is seeking payment and/or reimbursement from ESD does not duplicate reimbursement or disbursement of costs and/or expenses from any other source. These findings will be subject to audit by ESD's Internal Audit Department.
- 2) I have the authority to submit this invoice on behalf of Fort Schuyler Management Corporation. The project, or portion thereof for which this invoice relates, has been completed in the manner outlined in the Agreement.
- 3) I hereby attach the following documents for ESD approval, in support of this requisition (note N/A if not applicable for this request):

- ___ Exhibit B: ESD Design & Construction Requirements
- ___ Exhibit F-1: Financial Condition Documentation
- ___ Exhibit G-2: Staffing Plan
- ___ Exhibit G-3: Workforce Employment Utilization Report
- ___ Exhibit G-4: M/WBE Utilization Plan
- ___ Exhibit G-5: Waiver Request Form
- ___ Exhibit G-6: M/WBE Contractor Compliance and Payment Report

EXHIBIT F: CAPITAL GRANT PAYMENT REQUISITION FORM, continued

(Revised November 21, 2014)

___ Exhibit H: Report of Employment & NYS-45 form including cover page and NYS-45-ATT attachment (with social security numbers blocked out and location indicated as necessary) or equivalent documentation of employees, location, status, and payroll information.

___ Exhibit H-1: Report of Employment Affidavit in Lieu of Authorization to View Form NYS-45

___ A copy of all current policies of insurance (or certificates thereof) in full compliance with the terms and conditions of Section 12 of the Agreement

___ A copy of Certificate of Completion/Occupancy

- 4) There have been no materially adverse changes in the financial condition of the Grantee, except as disclosed in writing to ESD, from the date of submission of the Application to the date hereof.
- 5) The Grantee has acted responsibly from the date of submission of the Application to the date hereof in full compliance with the terms and conditions of Section 7 of the Agreement.
- 6) Representations, Warranties and Covenants made in Section 8 of the Agreement are still true, complete and accurate, unless waived in Exhibit I of the Agreement.

Signature: _____ Print Name: _____

Title: _____ Date: _____

EXHIBIT I-1: ESD INVESTMENT REGULATIONS
(with respect to funds in the Imprest Account)

Permissible Investments

The Grantee shall cause all Grant funds in the Imprest Account (as defined in Exhibit E) to be invested in any and all of the following, if and to the extent permitted by statutes, regulations and bond resolutions applicable at the time of investment:

- 1) Any bonds and other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by the United States of America;
- 2) Any bonds and other obligations which as to principal and interest constitute direct obligations of the State or ESD or which are unconditionally guaranteed by the State as to payment of principal and interest;
- 3) Prime Commercial Paper issued by domestic banks, corporations and financial companies rated "A-1" or "P-1" by Standard & Poor's Corporation or Moody's Investors Service, Inc.;
- 4) Certificates of Deposit of banks or trust companies authorized to do business in this State, including commercial banks who participate in New York State Excelsior Linked Deposit programs and are authorized program depositories, which certificates of deposit are fully insured by the Federal Deposit Insurance Corporation or fully secured by securities of the character described in (1) or (2) above;
- 5) Units, shares or interest in a mutual fund or money market fund of regulated investment companies which seek to maintain a constant net asset value per share of \$1.00 and have been rated in one of the two highest categories by at least one nationally recognized ratings organization and invests in instruments described in (1) or (2) above.