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CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

YELLOW 3 LLC

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MEMORANDUM OF UNIFORM PROJECT AND LEASE AGREEMENT

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DATED AS OF FEBRUARY 1, 2021

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RELATING TO THE PREMISES LOCATED AT 1585 TOWER  
ROAD IN THE TOWN OF CORTLANDVILLE, CORTLAND  
COUNTY, NEW YORK

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THIS DOCUMENT IS INTENDED TO CONSTITUTE A  
MEMORANDUM OF LEASE OF REAL ESTATE, AND IS  
INTENDED TO BE RECORDED IN LIEU OF SUCH LEASE, IN  
ACCORDANCE WITH THE PROVISIONS OF SECTION 294  
OF THE NEW YORK REAL PROPERTY LAW.

## MEMORANDUM OF UNIFORM PROJECT AND LEASE AGREEMENT

The undersigned, CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York (the "State") having an office for the transaction of business located at 40 Main Street, Suite A, Cortland, New York (the "Agency"), and YELLOW 3 LLC, a limited liability company organized and existing under the laws of the State of South Carolina having an office for the transaction of business located at 125 Wolf Road, Suite 312, Colonie, New York 12205 (the "Company"), have entered into a certain Uniform Project and Lease Agreement dated as of February 1, 2021 (the "Lease Agreement").

The Lease Agreement covers a leasehold interest affecting the premises (the "Land") described on Exhibit "A" attached hereto and made a part hereof, certain improvements to the Land (the "Facility") and the machinery, equipment and other personal property described on Exhibit "B" attached hereto and made a part hereof (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to in the Lease Agreement as the "Project Facility").

The Lease Agreement provides for the lease (with an obligation to purchase) of the Project Facility by the Agency to the Company for a term commencing on the date of execution and delivery of the Lease Agreement and terminating on the earlier to occur of (A) January 31, 2036, or (B) the date that the Lease Agreement shall be terminated pursuant to Article X thereof (entitled "Events of Default and Remedies") or Article XI thereof (entitled "Options and Obligation to Purchase").

The Lease Agreement obligates the Company (A) to pay, on the date of execution and delivery of the Lease Agreement, a single lump sum basic rental payment equal to the Agency's administrative fee for the project which is the subject of the Lease Agreement, (B) throughout the term of the Lease Agreement, to provide indemnity to the Agency, (C) to make payments in lieu of taxes with respect to the Project Facility, and (D) to make certain other payments to the Agency.

Subject to the provisions of the Lease Agreement, the Lease Agreement (A) obligates the Company to purchase the Project Facility at the end of the lease term, or under certain circumstances upon the sooner termination of the Lease Agreement, and (B) grants to the Company the option, at any time the Company so elects, to purchase the Project Facility, in each case for a purchase price equal to the sum of One Dollar (\$1.00) plus certain other amounts payable to the Agency pursuant to the Lease Agreement.

The Company, as tenant, is entitled to possession of the Project Facility from the date hereof. The Company, as tenant, has the right to enter into leases affecting all or a portion of the Project Facility as landlord, subject to the conditions set forth in the Lease Agreement.

The Lease Agreement is available for inspection during normal business hours at the office of the Agency, currently located as indicated above.

IN WITNESS WHEREOF, the Agency and the Company have caused this Memorandum of Lease Agreement to be executed in their respective names by their duly authorized officers and to be dated as of the day and year first above written.

CORTLAND COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Garry VanGorder, Executive Director

YELLOW 3, LLC

By: Cipriani Energy Group Corp., Sole Member

By: \_\_\_\_\_  
Chris Stroud, Manager

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

On the 25<sup>th</sup> day of February, 2021 before me, the undersigned, a notary public in and for said State, personally appeared **Garry VanGorder**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
**Notary Public**

JOHN P. SIDD  
Notary Public, State of New York  
Qualified in Onondaga Co. No. 4993688  
Commission Expires March 23, 2022

The Lease Agreement is available for inspection during normal business hours at the office of the Agency, currently located as indicated above.

IN WITNESS WHEREOF, the Agency and the Company have caused this Memorandum of Lease Agreement to be executed in their respective names by their duly authorized officers and to be dated as of the day and year first above written.

CORTLAND COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Garry VanGorder, Executive Director

YELLOW 3, LLC

By: Cipriani Energy Group Corp., Sole Member

By:  \_\_\_\_\_  
Christopher H. Stroud, Manager

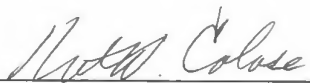
STATE OF NEW YORK                    )  
COUNTY OF CORTLAND            ) ss.:

On the \_\_\_\_ day of February, 2021 before me, the undersigned, a notary public in and for said State, personally appeared **Garry VanGorder**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
**Notary Public**

STATE OF New York )  
COUNTY OF Albany ) ss.:

On the 24<sup>th</sup> day of February, 2021 before me, the undersigned, a notary public in and for said State, personally appeared **Christopher H. Stroud**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
**Notary Public**

KATHLEEN V. COLOSE  
Notary Public State of New York  
Qualified in Schenectady County  
No. 0105356903  
Commission Expires March 01 2022

**EXHIBIT "A"**  
**DESCRIPTION OF THE LAND**

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Cortlandville, County of Cortland and State of New York, being a part of Military Lot 95 in said Town and bounded and described on Schedule "A" annexed hereto and made a part hereof.

BEING the same premises conveyed to the Grantor herein by deed from John P. Morse and Sheila A. Morse, dated March 22, 2006 and recorded in the Cortland County Clerk's Office on March 23, 2006 as Instrument Number 1046920-001.

Schedule "A"

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Cortlandville, County of Cortland and State of New York, being a part of Military Lot 95 in said Town and bounded and described as follows:

BEGINNING at a point in the centerline of Tower Road, which point is located easterly a distance of 1,294.5 feet as measured along said centerline of Tower Road from the intersection of said centerline with the centerline of Page Green Road; thence N 07° 00' 00" E across lands of the grantors a distance of 1,227.49 feet to a point marked by a survey rod with cap; thence S 82° 36' 59" E a distance 813.46 feet to a point marked by a survey rod with cap; thence S 07° 00' 00" W a distance of 945.04 feet to a point, which point is located 0.28 feet North and 0.72 feet West of an iron rod in the northeast corner of lands of Planty (R.O., Book 463 of Deeds at page 118); thence N 83° 09' 00" W a distance of 670.00 feet to point marked by a survey rod with cap; thence S 07° 00' 00" W, passing through an iron rod at 245.00 feet for a total a distance of 275.00 feet to a point in the centerline of Tower Road; thence N 83° 06' 00" W along the centerline of Tower Road, a distance of 143.44 feet to the point and place of beginning, containing 18.624 acres of land, more or less.

That portion of the above described premises lying within the confines of Tower Road is conveyed subject to the rights of the public to use the same for street or highway purposes.

**SUBJECT**, insofar as they affect the premises conveyed hereby to:

1. A pole line easement granted by Ivan Erway and Julia A. Erway to The Cortland Traction Company dated December 13, 1930 and recorded in the Cortland County Clerk's Office in Book 167 of Deeds at page 359;
2. A gas pipeline easement granted by Charles R. Stafford to New York State Natural Gas Corporation dated January 5, 1950 and recorded in the Cortland County Clerk's Office in Book 215 of Deeds at page 101, as modified by Agreement between the parties thereto dated March 21, 1963 and recorded in said Clerk's Office in Book 286 of Deeds at page 84;
3. Easement granted by Charles R. Stafford to Niagara Mohawk Power Corp. dated October 10, 1967 and recorded in the Cortland County Clerk's Office in Book 309 of Deeds at page 180;
4. Easement granted by Charles Stafford to New York Telephone Company dated May 22, 1978 and recorded in the Cortland County Clerk's Office in Book 356 of Deeds at page 1107;

5. Easement granted by Charles R. Stafford to New York Telephone Company dated January 26, 1981 and recorded in the Cortland County Clerk's Office in Book 369 of Deeds at page 576.

The premises described herein are more particularly shown on a survey map of "Lands of John P. Morse and Sheila A. Morse" made by R. James Stockwin, L.S., dated November 29, 2005, which is intended to be filed in the Cortland County Clerk's Office with the recording of this instrument and is incorporated herein by reference.



**EXHIBIT "B"**  
**DESCRIPTION OF THE EQUIPMENT**

All equipment, fixtures, machines, building materials and items of personal property and all appurtenances (A) acquired, constructed and/or intended to be installed and/or to be acquired, constructed or installed in connection with the acquisition, construction and installation of the YELLOW 3, LLC Project (the "Project") of Cortland County Industrial Development Agency (the "Agency") located on the real property described as the Facility Parcel on Exhibit A hereto, said Project to be acquired, renovated and installed by YELLOW 3, LLC (the "Company") as agent of the Agency pursuant to a Uniform Project and Lease Agreement dated as of February 1, 2021 (the "Lease Agreement") by and between the Agency and the Company and (B) now or hereafter attached to, contained in or used in connection with the Land or placed on any part thereof, though not attached thereto, together with any and all products of any of the above, all substitutions, replacements, additions or accessories therefor and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the above.