

## PROJECT AGREEMENT

THIS PROJECT AGREEMENT (hereinafter, the "Agreement"), made as of May 12, 2020 by and between the BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, with an office for the transaction of business located at FIVE South College Drive, Suite 201, Binghamton, New York 13905 (the "Agency"), and L3 TECHNOLOGIES, INC., a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with an office for the transaction of business located at 147 Industrial Park Drive, Kirkwood, New York 13795 ("L3") and 147 INDUSTRIAL DRIVE LLC, Successor in Interest to TRACK DRIVE, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, with a mailing address of 498 Conklin Avenue, Binghamton, New York 13903 ("147 Industrial Drive") ("L3" and "147 Industrial Drive" are, hereinafter, collectively the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 564 of the 1970 Laws of the State of New York pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Enabling Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has submitted an application (the "Application") to the Agency requesting the Agency's assistance with respect to a certain project (the "Project") consisting of an industrial and manufacturing site; and

WHEREAS, by Resolution, adopted on November 28, 2018 (the "Resolution"), the Agency has conferred on the Company, in connection with the Project, certain benefits, exemptions and other financial assistance consisting of: (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Project or used in the renovation and equipping of the Project, (b) an exemption from mortgage tax, and (c) a partial abatement from real property taxes through a "payment in lieu of tax agreement" with the Company for the benefit of each municipality and school district having taxing jurisdiction over the Project (collectively, the sales and use tax exemption, the mortgage tax exemption, and the partial abatement from real property taxes benefits, are hereinafter collectively referred to as the "Financial Assistance"); and

WHEREAS, it has been estimated and confirmed by the Company, as included within its Application for Financial Assistance dated August 30, 2018, a copy of which is available for review at the office of the Agency during regular business hours, that (i) the purchase of goods and services relating to the Project and subject to Broome County local sales and use taxes are estimated in an amount up to \$5,400,000.00, and, therefore, the value of the Broome County sales and use tax exemption benefits authorized and approved by the Agency cannot

exceed \$432,000.00, (ii) that real property tax abatement benefits to be provided to the Company over the fifteen (15) year benefit period of the anticipated payment-in-lieu-of-tax agreement are estimated to be approximately \$585,927.00, and (iii) that a mortgage tax abatement benefit relating to the Project is estimated in an amount up to \$7,060,000.00 and, therefore, the value of the mortgage tax exemption benefit authorized and approved by the Agency cannot exceed \$70,600.00; and

WHEREAS, the Company proposes to lease the Project to the Agency, and the Agency desires to rent the Project from the Company pursuant to the terms and conditions set forth in a certain Lease Agreement dated as of May 12, 2020 (the "Lease Agreement"), by and between the Company and the Agency; and

WHEREAS, the Agency proposes to lease the Project back to the Company and the Company desires to rent the Project from the Agency, pursuant to the terms and conditions set forth in a certain Leaseback Agreement dated as of May 12, 2020 (the "Leaseback Agreement"); and

WHEREAS, in order to define the obligations of the Company regarding payments-in-lieu-of-taxes for the Project, the Agency and the Company will enter into a Payment-in-Lieu-of-Tax Agreement dated as of May 12, 2020 (the "PILOT Agreement"); and

WHEREAS, in order to define the obligations of the Company regarding its ability to utilize the Agency's sales and use tax exemption benefit as agent of the Agency to renovate and equip the Project and to undertake the Project, the Agency and the Company will enter into an Agency Agreement, dated as of May 12, 2020 (the "Agency Agreement"); and

WHEREAS, the Agency requires, as a condition and as an inducement for it to enter into the transactions contemplated by the Resolution, and as more particularly described in the Lease Agreement, Leaseback Agreement, PILOT Agreement, and Agency Agreement, that the Company provide assurances with respect to the terms and conditions herein set forth; and

WHEREAS, this Agreement sets forth the terms and conditions under which Financial Assistance shall be provided to the Company; and

WHEREAS, no Financial Assistance shall be provided to the Company prior to the effective date of this Agreement.

NOW, THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. PURPOSE OF PROJECT. It is understood and agreed by the parties hereto that the purpose of the Agency's provision of Financial Assistance with respect to the Project is to, and that the Agency is entering into the Lease Agreement, Leaseback Agreement, PILOT Agreement and Agency Agreement in order to, promote, develop, encourage and assist in the renovation and equipping of the Project, to advance job opportunities, health,

general prosperity and economic welfare of the people of the Town of Kirkwood, Broome County, New York, and to otherwise accomplish the public purpose of the Act.

2. PILOT AGREEMENT. The parties hereto understand and agree that Exhibit “A” to this Agreement contains a copy of the PILOT Agreement to be entered into by and between the Company and the Agency.

3. TERMINATION, MODIFICATION AND/OR RECAPTURE OF ANY FINANCIAL ASSISTANCE. It is understood and agreed by the parties hereto that the Agency is entering into the Lease Agreement, the Leaseback Agreement, the PILOT Agreement, and the Agency Agreement in order to provide Financial Assistance to the Company for the Project and to accomplish the public purposes of the Act. The Company hereby makes the following representations and covenants in order to induce the Agency to proceed with the Project:

A. In accordance with Section 875(3) of the New York General Municipal Law, the policies of the Agency, and the Resolution, the Company covenants and agrees that it may be subject to a determination by the Agency resulting in the potential recapture of any and all Financial Assistance, as described below, if the Company receives, or any of its agents or subagents receive, any Financial Assistance from the Agency, and it is determined by the Agency that:

1. the Company, or its agents or subagents, if any, authorized to make purchases for the benefit of the Project is not entitled to the sales and use tax exemption; or
2. the sales and use tax exemption is in excess of the amounts authorized by the Agency to be taken by the Company, or its agents or subagents, if any; or
3. the sales and use tax exemption is for property or services not authorized by the Agency as part of the Project; or
4. the Company has made a material, false or misleading statement, or omitted any information which, if included, would have rendered any information in its application for Financial Assistance, or supporting documentation, false or misleading in any material respect.

In order for the Agency to determine the foregoing, the Company shall provide annually to the Agency a certified statement and documentation, if required. Exhibit “B” contains the form of annual certification as so required as well as additional Project assessment information that the Agency requires, on an annual basis, to be submitted to the Agency by the Company.

The findings made by the Agency with respect to Sections 3(A)(1), (2), (3) and/or (4) and/or failure to provide the written confirmation as required by Section 3 may potentially be determined by the Agency in accordance with the Agency’s Policy for Termination,

Modification and/or Recapture of Agency Benefits for the modification of any PILOT to require increased payments. If the Agency makes a determination to recapture benefits, the Company agrees and covenants that it will (i) cooperate with the Agency in its efforts to recover or recapture any or all Financial Assistance obtained by the Company, and (ii) promptly pay over any and all such amounts to the Agency that the Agency demands in connection therewith. Upon receipt of such amounts, the Agency shall then redistribute such amounts to the appropriate affected tax jurisdiction(s). The Company further understands and agrees that, in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine the New York State and local sales and use tax due from the Company, together with any relevant penalties and interest due on such amounts.

B. In accordance with the Resolution, the Company further: (i) covenants that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in an amount up to \$5,400,000.00 and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency, subject to Section 3(A) of this Agreement, cannot exceed \$432,000.00.

C. The Company acknowledges and understands that a determination to recapture benefits made with respect to Section 3(A) of this Agreement will, in addition, immediately result in the loss and forfeiture of the Company's right and ability to obtain any and all future Financial Assistance with respect to the Project.

4. SURVIVAL. All warranties, representations, and covenants made by the Company herein shall be deemed to have been relied upon by the Agency and shall survive the delivery of this Agreement to the Agency regardless of any investigation made by the Agency.

5. NOTICES. All notices, demands or communications required to be given under this Agreement shall be forwarded simultaneously by certified mail or Federal Express or other similar overnight delivery service, to the respective addresses of the Parties hereinafter set forth or to such other place(s) as any of the Parties hereto may, from time to time, designate by written notice to the other.

To the Agency: Broome County Industrial Development Agency  
FIVE South College Drive  
Suite 201  
Binghamton, New York 13905

Attn: Executive Director

with a copy to: Joseph B. Meagher, Esq.  
Thomas, Collison & Meagher  
1201 Monroe Street  
P.O. Box 329  
Endicott, New York 13761-0329

To L3: L3 Technologies, Inc.  
c/o L3Harris Technologies, Inc.  
Attention: Global Real Estate Department  
800 Lee Road  
Rochester, NY 14606-0488

with mandatory copies to:

L3 Technologies, Inc.  
c/o L3Harris Technologies, Inc.  
Attention: Legal Department  
1025 West NASA Boulevard  
Melbourne, FL 32919

JLL Center  
Attention: L3Harris Technologies, Inc. Lease Administration  
260 Forbes Avenue, Suite 1300  
Pittsburgh, PA 15222

L3Harris Technologies, Inc.  
Attention: Vanessa M. Sanz, Director, Financial Shared  
Services, Billing, Contract Closeout, and Indirect Tax  
150 S. Wickham Rd. / Mailstop W1-11F  
Melbourne, FL 32904 / USA

To 147 Industrial Drive LLC:

147 Industrial Drive LLC  
498 Conklin Avenue  
Binghamton, New York 13903

Attn: Steve Wozniak, Member

with a copy to: (physical & shipping address)  
Lori Grumet Schapiro, Esq.  
Coughlin & Gerhart, LLP  
99 Corporate Drive  
Binghamton, New York 13904

(mailing address)  
Lori Grumet Schapiro, Esq.  
Coughlin & Gerhart, LLP  
P.O. Box 2039  
Binghamton, New York 13902

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section.

6. AMENDMENTS. No amendment, change, modification, alteration or

termination of this Agreement shall be made except in writing upon the written consent of the Company and the Agency.

7. **SEVERABILITY.** The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement, or the application thereof, shall not affect the validity or enforceability of the remaining portions of this Agreement or any part thereof.

8. **GOVERNING LAW.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard or reference to its conflict of laws principles.

9. **SECTION HEADINGS.** The headings of the several Sections in this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BROOME COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_

Stacey M. Duncan, Executive Director

L3 TECHNOLOGIES, INC.

By: \_\_\_\_\_

Todd A. Taylor, Vice President  
Principal Accounting Officer

147 INDUSTRIAL DRIVE LLC

By: \_\_\_\_\_

Steve Wozniak, Member

STATE OF NEW YORK:

: ss.:

COUNTY OF BROOME:

On May \_\_\_\_\_, 2020, before me, the undersigned, personally appeared STACEY M. DUNCAN, 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 she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

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

STATE OF FLORIDA :

: ss.:

COUNTY OF BREVARD:

On this \_\_\_\_\_ day of May, 2020, before me, the undersigned, personally appeared TODD A. TAYLOR, 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 :

: ss.:

COUNTY OF BROOME :

On this \_\_\_\_\_ day of May, 2020, before me, the undersigned, personally appeared STEVE WOZNIAK, 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

EXHIBIT "A"

(SEE ATTACHED PILOT AGREEMENT)



EXHIBIT "B"

FORM OF ANNUAL EMPLOYMENT AND SALARY AND FRINGE BENEFITS AND  
RELATED PROJECT INFORMATION CERTIFICATION LETTER

\_\_\_\_\_ , \_\_\_\_\_

Re: New Project Verification Dear \_\_\_\_\_ :

The Broome County Industrial Development Agency (the "Agency") is currently providing assistance in connection with the your project in the (municipality)

The Agency is required to file an annual report with the New York State Comptroller providing information on its activities, and the activities of projects that are assisted by the Agency. In order for the Agency to compile that report, it is necessary that we obtain information relating to assistance provided and benefits derived from all entities that receive such assistance. Failure by the Agency to file the report information required by New York State could result in the Agency losing its ability to provide future assistance or the entity suffering claw-back provisions and forfeiting benefits previously received. Therefore, it is important that this information be provided in an accurate and timely manner.

Attached please find a questionnaire to be completed and returned to the Agency by \_\_\_\_\_. If you have any questions regarding the required information, please do not hesitate to call our office.

We appreciate your assistance in this matter. A self-addressed stamped envelope is enclosed for your convenience.

Very truly yours,

Company name and address: Project Name:

Company contact: Contact phone number:  
(Please correct any information above)

**Financing Information**

Has the Agency provided project financing assistance through issuance of a bond or note)

Yes No

If financing assistance was provided, please provide:

- Original principal balance of bond or note issued \_\_\_\_\_
- Outstanding principal balance of such bond or note at \_\_\_\_\_
- Principal paid during \_\_\_\_\_
- Outstanding principal balance of such bond or note at \_\_\_\_\_

Interest rate on mortgage as of \_\_\_\_\_ Final maturity date of the bond or note

Is the Company a not-for-profit? \_\_\_\_\_

**Sales Tax Abatement Information**

Did your company receive Sales Tax Abatement on your Project during \_\_\_\_\_

Yes No

If so, please provide the amount of sales tax savings received \_\_\_\_\_

**(A copy of the ST-340 sales tax report submitted to New York State for the reporting period is required to be attached with this report)**

**Mortgage Recording Tax Information**

Did your company receive Mortgage Tax Abatement on your Project during \_\_\_\_\_  
Yes      No

*(NOTE: Only be applicable the year that a mortgage was placed upon the project)*

The amount of the mortgage recording tax that was abated during \_\_\_\_\_  
 \_\_\_\_\_

**Job Information**

Number of full time equivalent employees ("FTE") existing jobs by category and average Hourly wage for each **before IDA status**

Category	FTE	Average Hourly Wage
Management	_____	_____
Professional	_____	_____
Administrative	_____	_____
Production	_____	_____
Other	_____	_____

***Current number of FTE employees for \_\_\_\_\_ by category and average hourly wage.***

Category	FTE	Average Hourly Wage
Management	_____	_____
Professional	_____	_____
Administrative	_____	_____
Production	_____	_____
Other	_____	_____

***Number of FTE jobs created during \_\_\_\_\_ as a result of the assistance received through the IDA by category and average hourly wage.***

Category	FTE	Average Hourly Wage
Management	_____	_____
Professional	_____	_____
Administrative	_____	_____
Production	_____	_____
Other	_____	_____

Number of FTE jobs retained during \_\_\_\_\_ by category and average hourly wage.

Category	FTE	Average Hourly Wage
Management	_____	_____
Professional	_____	_____
Administrative	_____	_____
Production	_____	_____
Other	_____	_____

Total annual payroll for \_\_\_\_\_

A copy of the NYS 45 form for the project location is required to be submitted with this report. If the NYS 45 form is not available for the specific project location or the form does not accurately reflect the full time jobs created an internal report verifying the total jobs by employment category as outlined above at the location is required with this submission.

Number of FTE construction jobs created during \_\_\_\_\_ Number of FTE construction jobs  
 during \_\_\_\_\_

\_\_\_\_\_ Capital Investment Real Estate Construction

Machinery and Equipment Other Taxable Expenses \_\_\_\_\_

Other Non-Taxable Expenses \_\_\_\_\_ Total Capital Investment

I certify that to the best of my knowledge and belief all of the information on this form is correct. I also understand that failure to report completely and accurately may result in enforcement of provisions of my agreement, including but not limited to voidance of the agreement and potential claw back of benefits.

Signed: \_\_\_\_\_ (authorized company representative)

Date: \_\_\_\_\_