

## AGENCY AGREEMENT

THIS AGENCY AGREEMENT, made as of the 16 day of November, 2015 by and between the TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York, having its principal offices at 56 Main Street, Owego, Tioga County, New York 13827 (the "Agency") and LOCKHEED MARTIN CORPORATION, a corporation, having an office for the transaction of business located at 1801 State Route 17C, Owego, New York 13827 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 534 of the 1971 Laws of the State of New York, as amended by Chapter 883 of the 1974 Laws of the State of New York, constituting Section 912 of the General Municipal Law of the State of New York (collectively referred to as the "Enabling Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, 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 manufacturing, warehousing, research, commercial or industrial facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease any or all of its facilities at such rentals and on such other terms and conditions as it deems advisable; and

WHEREAS, pursuant to and in connection with the provisions of the Enabling Act, the Agency is empowered under the Enabling Act to undertake the providing of financing and accepting a leasehold interest in the Project (as described below); and

WHEREAS, the Company has presented an application (the "Application") to the Agency, copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the financing of the renovation of a manufacturing center and laboratory space located at 1801 State Route 17C, Town of Owego, Tioga County, New York (the "Facility"), and (2) the acquisition and equipping therein and thereon of certain heavy machinery, tools, milling equipment, and program specific laboratory improvements to function as a complex, state of the art, precision machinery and manufacturing center (the "Equipment") (the Facility and the Equipment being hereinafter collectively referred to as the "Project"); and (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Enabling Act) with respect to the foregoing, including potential exemptions from certain sales taxes (collectively, the "Financial Assistance"); and

settlement with respect to any of the above is threatened, anticipated, or in existence. The Company, upon receiving any information or notice contrary to the representations contained in this Section (d), shall immediately notify the Agency in writing with full details regarding the same. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its chief executive officer, executive director, directors, officers, employees, members, agents (except the Company) representatives, their respective successors and assigns and personal representatives from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorney fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Project site, the Company agrees to pay the expenses of same to the Agency upon demand.

3. Hold Harmless Provision. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its chief executive officer, executive director, directors, officers, employees, members, agents (except the Company), representatives, their respective successors and assigns and personal representatives harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Project site or breach by the Company of this Agreement, or (ii) liability arising from or expense incurred by the Agency (a) renovating and equipping the Project; and (b) providing the Company with a sales tax letter, including, without limiting the generality of the foregoing, all causes of action and reasonable attorney fees and any other expense, incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply, except in instances of the fault or negligence on the part of the Agency, or its chief executive officer, respective executive director, directors, officers, employees, members, agents (except the Company), and representatives, their respective successors and assigns and personal representatives and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.
4. Counterpart Signatures. This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.
5. Notices. All notices provided for by this Agreement shall be made in writing, and shall be deemed to have been given on the date of delivery if personally served on the party to whom notice is to be given, or on the next day after mailing if mailed to the party to whom notice is to be given by overnight courier of national reputation providing evidence of receipt and properly addressed, or on the third day after mailing if mailed to

the party to whom notice shall be given by first class, certified mail, postage prepaid and properly addressed to the following:

To the Agency: Tioga County Industrial Development Agency  
56 Main Street  
Owego, New York 13827  
Attn: Chairman

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

To the Company: Lockheed Martin Corporation  
1801 State Route 17C  
Owego, New York 13827  
Attn: Elizabeth Scordinu

with a copy to: Christopher Konrad, Esq.  
Lockheed Martin Mission Systems and Training  
1801 State Route 17C  
Owego, New York 13827

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. Governing Law. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein. The parties hereto designate a court of proper jurisdiction located in Tioga County, New York as the sole venue for resolution of any disputes, which may arise under or by reason of this Agreement.

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

TIOGA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: Ralph E. Kelsey  
Ralph E. Kelsey, Chairman

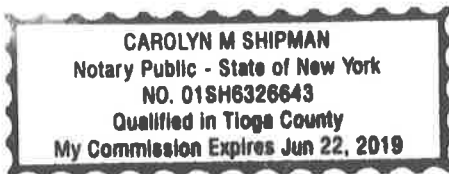
LOCKHEED MARTIN CORPORATION

By: Elizabeth Scordinu  
Printed Name: Elizabeth Scordinu  
Title: Controller, MST-SAS

STATE OF NEW YORK }  
COUNTY OF TIOGA } ss:

On this 16 day of NOV, in the year 2015 before me personally came Elisabeth Scardino, to me known, who, being by me duly sworn did depose and say that he/she resides in Vestal, NY; that he/she is the Controller, MST-SAS of Lockheed Martin Corporation, the corporation described in and which executed the above instrument and that she executed the within instrument by corporate delegation of authority.

  
Notary Public



**EXHIBIT A**

**INSURANCE REQUIREMENTS**

(See Attachment)

INSURANCE REQUIREMENTS FOR A  
TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY PROJECT

- 1.1 Insurance Required. Effective as of the date of execution of the Agency Agreement and until the Agency consents in writing to a termination, at all times, including without limitation during any period of construction of the project facility, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:
- (a) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company.
  - (b) Worker's Compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.
  - (c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract (including the contractual liability assumed by the Company under Section 5.2 of the Lease Agreement) and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than \$1,000,000 per accident or occurrence on account of personal injury, including death resulting therefrom, and \$1,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable Worker's Compensation Law; and a blanket excess liability policy in the amount not less than \$2,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.
- 1.2. Additional Provisions Respecting Insurance.
- (a) All insurance required by Section 1.1(a) hereof shall name the Agency as a named insured and all other insurance required by Section 1.1 shall name the Agency as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company (and reasonably satisfactory to the Agency) and authorized to write such insurance in the State. Such insurance may be written with deductible amounts not exceeding \$2,500.00. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interest may appear, and (ii) at least thirty (30) days written notice of the cancellation thereof to the Company and the Agency.
  - (b) All such certificates of insurance of the insurers that such insurance is in force and effect shall be deposited with the Agency on or before the commencement of the term of the Agency Agreement. Prior to expiration of the policy evidenced by said certificates, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Lease.

Type of Insurance	Amount	Tioga County Industrial Development Agency Status	Deductible
Liability	\$1,000,000.00 + with \$2,000,000.00 blanket	Additional Insured	not exceeding \$2,500.00
Property Damage or Builder's Risk, if in construction	Full Replacement Value	Named Insured	not exceeding \$2,500.00