

**LEGAL NOTICE**

PLEASE TAKE NOTICE THAT the New York State Urban Development Corporation, d/b/a Empire State Development (“ESD”), pursuant to New York State Urban Development Corporation Act (Chapter 174, Section 1, Laws of 1968, as amended; the “Act”), has filed a proposed Amended General Project Plan (the “Amended Plan”) with respect to the IBM Headquarters Project (the “Project”) in the office of the Clerk of the Town of North Castle. The Amended Plan is also available on-line at [http://www.empire.state.ny.us/PublicMeetings\\_Notices.html](http://www.empire.state.ny.us/PublicMeetings_Notices.html). A copy of the Amended Plan also is on file at ESD’s principal office, 633 Third Avenue, New York, New York 10017, and is available for inspection by the general public during regular business hours. Copies of the Amended Plan are available without charge upon request to ESD.

The original General Project Plan for the Project (the “Original GPP”), and the Amended Plan, relate to certain property located on Old Post Road (between NY Routes 22 and 120) in Armonk, Town of North Castle, Westchester County. Pursuant to the Original GPP and related documents, International Business Machines Corporation (“IBM”) conveyed certain of such property to ESD and ESD simultaneously leased such property back to IBM. Rent under the lease is paid as payment-in-lieu-of-taxes (“PILOT”) to the Town of North Castle, and IBM has a Purchase Option at lease termination in 2018. Pursuant to the Amended Plan, an approximately 18.2 acres of contiguous additional property (the “Additional Property”) will be added to the original conveyance/leaseback on the same terms and conditions.

The essential terms of the Amended Plan and amended conveyance/leaseback documents are as follows: (1) IBM will convey the Additional Property to ESD for nominal consideration; (2) ESD simultaneously will lease the Additional Property back to IBM; and (3) the original conveyance/leaseback documents will be amended to include the Additional Property, on the same terms and conditions set forth in the initial conveyance/leaseback, including but not limited to: (a) nominal conveyance price; (b) any enhanced “rent” by IBM paid as PILOT directly to Town of North Castle; (c) 2018 Lease termination; and (d) 2018 IBM Purchase Option for nominal consideration. The Additional Property will create a greater buffer for IBM’s corporate headquarters, and will provide other facilities incidental or appurtenant to the Project.

PLEASE TAKE FURTHER NOTICE THAT, in accordance with Sections 6 and 16(2) of the Act, a public hearing open to all persons will be held by ESD on Monday, August 8, 2011, between the hours of 5pm to 7pm at the North Castle Town Hall, 15 Bedford Road, Armonk, New York 10504.

DATE: July 28, 2011  
New York, New York

NEW YORK STATE URBAN  
DEVELOPMENT CORPORATION,  
d/b/a EMPIRE STATE DEVELOPMENT  
By: Eileen McEvoy  
Corporate Secretary