

County (the "County grant") to fund the development of an "Almost Milc Track," at AIS (the "AIS project");

WHEREAS, on March 22, 2004, the Office of the State Comptroller released an audit entitled, Lewis County: Disbursements for the Promotion of Tourism and Economic Development, in which the Comptroller raised certain issues and concerns about the County grant;

WHEREAS, Lyndaker used Lyndaker Excavating to perform the construction work for the AIS project;

WHEREAS, Lyndaker Excavating submitted twelve invoices to LCO during the period June 12, 2003 through August 30, 2003 for the work it performed on the AIS project;

WHEREAS, LCO paid Lyndaker Excavating's invoices using the funds from the County grant;

WHEREAS, based on a review of Lyndaker Excavating's invoices to LCO, the Attorney General believes that Lyndaker Excavating engaged in inappropriate billing practices in connection with the AIS project, including, but not limited to, billing at market rates rather than actual costs;

WHEREAS, the Attorney General believes that Lyndaker Excavating submitted to LCO incomplete, incorrect, and inaccurate AIS project cost estimates;

WHEREAS, the AIS project went at least twice over budget and is not as near to completion as originally estimated;

WHEREAS, Respondents and the Attorney General enter into this Assurance because each believes that the obligations it imposes are prudent and appropriate;

WHEREAS, this Assurance does not constitute a finding of wrongdoing by the Attorney General or admission of wrongdoing on the part of Respondents; and

WHEREAS, upon the terms and conditions of this Assurance, the Attorney General has decided to conclude his investigation of the AIS project;

IT IS HEREBY STIPULATED AND AGREED, by Eliot Spitzer, Attorney General of the State of New York and Respondents, that:

1. The term of this Assurance shall be five (5) years from the date of the execution of this Assurance.
2. Lyndaker agrees to give to Lewis County a security interest in the property on which AIS is located equal to the amount of three hundred forty-two thousand, seven hundred twenty-five dollars (\$342,725.00) (the "mortgage"). Lyndaker agrees that within ten (10) business days of receipt of a Resolution from the County stating that the County accepts the mortgage in the form set forth as Exhibit A, the terms of which are incorporated herein with the same force and effect as if fully set forth herein, Lyndaker shall file with the Lewis County Clerk an original signed copy of Exhibit A. If for any reason, the Lewis County Clerk or the County cannot accept such mortgage or it is deemed unenforceable, the Attorney General will attempt to resolve the issue and Lyndaker agrees to negotiate in good faith with the County to reach an agreement under which Lyndaker will agree to give the County a security interest in the property on which AIS is located equal to the amount of three hundred forty-two thousand, seven hundred twenty-five dollars (\$342,725.00).
3. Respondents agree to pay to Lewis County the sum of forty thousand dollars (\$40,000.00); twenty thousand dollars (\$20,000.00) of which is due within forty-five (45) days of the execution of this Assurance and twenty thousand dollars (\$20,000.00) of which is due twelve (12) months from the date of the execution of this Assurance. Payment is to be check payable to Lewis County and made in accordance with the notice provision of paragraph six (6) below.

4. Respondents agree to sign a confession of judgment in the amount of forty thousand dollars (\$40,000.00), plus interest, at the time of the execution of this Assurance. A copy of the confession of judgment is attached as Exhibit C. The Attorney General will file the confession of judgment if either twenty thousand dollar (\$20,000.00) payment as set forth above in paragraph three (3) is not made in full with ten (10) business days of the date such payment was due or if either payment made is rejected by the payor bank as a result of insufficient funds in the payor account. The Attorney General shall give respondents written notice of default five (5) business days before it files the confession of judgment and if payment is made within five (5) business days of the written notice of default, the Attorney General shall not file the confession of judgment.

5. Lyndaker agrees to provide the Attorney General with semi-annual reports summarizing the progress of the AIS project and any grant activity involving public funds, including, but not limited to, pending grant applications, grants received and made, and any monitoring and reporting requirements imposed by any granting organizations. The first semi-annual report shall be filed with the Attorney General six (6) months after the date of the execution of this Assurance.

6. All notices, reports, requests and other communications to any party pursuant to this Assurance shall be in writing and shall be directed as follows:

If to Respondents, to:

Mark N. Wladis, Esq.
The Wladis Law Firm, P.C.
5795 Widewaters Pkwy
P.O. Box 245
Syracuse, New York 13214
Facsimile (315) 251-1073

If to the Attorney General, to:

New York State Attorney General
Public Integrity Unit, Criminal Division
120 Broadway, 22nd floor
New York, New York 10271
Attn: Carrie H. Cohen, Esq.
Facsimile: (212) 416-8026

or to such other address or facsimile number as such party may hereafter specify by written notice to the other parties to this Assurance. Each such notice, request or other communication shall be effective (i) if delivered in person, when such delivery is made; (ii) if delivered by overnight courier, the next business day after such delivery is sent; (iii) if delivered by certified mail return receipt requested, as of the date noted as the date of delivery on the return receipt; or (iv) if delivered by facsimile, when such facsimile is transmitted and the appropriate confirmation is received.

7. Within ten (10) business days after receiving a written request from the Attorney General, Respondents shall make available for review any documents that the Attorney General believes relate to Respondents' compliance with this Assurance or the investigation underlying this Assurance. This Assurance does not impair or in any way affect the Attorney General's right and ability to obtain documents from Respondents by subpoena.

8. This Assurance may not be amended except by an instrument in writing signed on behalf of all the parties to this Assurance.

9. This Assurance shall be binding on and inure to the benefit of the parties to this Assurance and their respective successors, assigns, beneficiaries, and heirs, provided that no party, other than the Attorney General, may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the Attorney General.

10. This Assurance may be executed in counterparts, each of which shall be considered the same as if a single document shall have been executed, but shall become effective when such counterparts have been signed by each of the parties hereto.

11. This Assurance constitutes the entire agreement, and supersedes all prior Assurances, agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Assurance. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made or relied upon by any party to this Assurance.

12. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

13. The Attorney General retains the right under New York Executive Law § 63(15) to compel compliance with this Assurance.

14. Should it be determined that Respondents have breached this Assurance, Respondents shall pay to the Attorney General the cost, if any, of such determination and of enforcing this

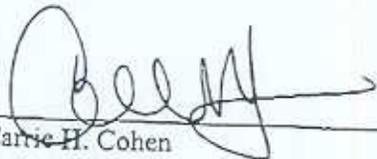
Assurance, including, without limitation, legal fees, expenses, and court costs.

Dated: New York, New York
November 2, 2004

December 7, 2004

ELIOT SPITZER
Attorney General of the State of New York

By:

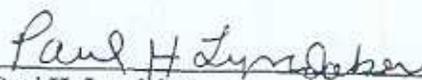

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By:


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By:


Paul H. Lyndaker
On behalf of himself and his beneficiaries and
as owner and operator of Lyndaker Excavating &
Trucking, L.L.C. and
Adirondack International Speedway, L.L.C.