

**AMENDMENT NO. 1 to
OHIO ENTERPRISE ZONE AGREEMENT
City of North Royalton, Ohio,
County of Cuyahoga, Ohio
and
RGS Holdings, Inc (formerly known as La’szeray Technology, Inc.) and RGS
Management, LLC**

This Amendment No. 1 to Ohio Enterprise Zone Agreement (the “Agreement”) is made and entered into by and between the City of North Royalton, a Municipality, with its main offices located at 13834 Ridge Road, Ohio, 44133-4896 (hereinafter referred to as the “City of North Royalton”), the County of Cuyahoga, Ohio, with its main offices located at 1219 Ontario Avenue, Cleveland, Ohio, 44113 (hereinafter referred to as the “County”), RGS Holdings, Inc. (formerly known as La’szeray Technology, Inc.), an Ohio Corporation with its main offices located at 37218 Wexford, Solon, Oh 44139 (“Holdings”), RGS Management, LLC, with its main offices located at 37218 Wexford, Solon, Oh 44139 (“RGS,” and together with Holdings, hereinafter collectively referred to as “Former La’szeray”), La’szeray Technology, LLC, a Delaware limited liability company, with its main offices located at 12295 York-Delta Drive, North Royalton, Ohio, 44133 (“LT”), and Laztech Real Estate, LLC, with its main offices located at 12295 York-Delta Drive, North Royalton, Ohio, 44133 (“LRE” and, together with LT, hereinafter collectively referred to as “New La’szeray”).

WHEREAS, The City of North Royalton, in Cuyahoga County, Ohio has encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, Former La’szeray had agreed to expand its business operations and preserve employment within the City through the construction and establishment of a new nineteen

thousand square foot (19,000 SF) addition to its manufacturing facility, previously owned by RGS, to both preserve and create employment opportunities (hereinafter referred to as the “PROJECT”) within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives were available to support the economic viability of said PROJECT; and

WHEREAS, the City Council of the City of North Royalton, by Ordinance No. 11-118 passed November 1, 2011, authorized the execution and delivery of an Enterprise Zone Agreement by and among the City of North Royalton, the County and Former La’szeray (the “Original 2011 Enterprise Zone Agreement” and, together with this Amendment, the “Enterprise Zone Agreement”) to provide for certain incentives to Former La’szeray to induce Former La’szeray to undertake the Project; and

WHEREAS, the County authorized the execution and delivery of the Original 2011 Enterprise Zone Agreement; and

WHEREAS, the City of North Royalton, the County and Former La’szeray entered into the Original 2011 Enterprise Zone Agreement; and

WHEREAS, LT has acquired the assets of Holdings, and LRE has acquired the real property on which the Project is to be located from RGS, and in accordance with the agreements contained in this Amendment No. 1, LT and LRE have agreed to complete the Project;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

1. The Original 2011 Agreement is hereby amended by permitting the assignment of the rights and obligations of Holdings to LT, and to permit the assignment of the rights and obligations of RGS to LRE.
2. From and after the effective date of this Amendment No. 1, all references to “Laszeray Technology, Inc.” shall be deemed to refer to LT, all references to “RGS” shall be deemed to refer to LRE, and all references to “Laszeray” shall be deemed to refer to LT together with LRE.
3. LT agrees to comply with all of the covenants and agreements of Holdings under this Agreement to be made and performed by Holdings under this Enterprise Zone Agreement, including, without limitation, undertaking the Project.
4. LRE agrees to comply with all of the covenants and agreements of RGS under this Agreement to be made and performed by RGS under this Enterprise Zone Agreement.
5. The City and the County agree to comply with all of their respective covenants and agreement under this Agreement to be made and performed by each of them under this Enterprise Zone Agreement.
6. Each of LT and LRE hereby certifies that at the time this Amendment No. 1 is executed, it does not owe any delinquent real property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which it is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, LT or LRE, as applicable, currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.
7. Each of LT and LRE affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.
8. Former La’szeray, New La’szeray and the City of North Royalton acknowledge that this Amendment No. 1 must be approved by formal action of the legislative authority of the City of North Royalton, Ohio and by Cuyahoga County as a condition for the agreement to take effect. This agreement takes effect upon such approval.
9. LT and LRE each affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the Enterprise Zone incentives. If any representative of LT or LRE has knowingly made a false statement to the State or local political subdivision to obtain the Enterprise Zone incentives, New La’szeray shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to ORC Section 9.66 (C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC 2921.13(D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.
10. This Enterprise Zone Agreement is not further transferable or assignable without the express, written approval of the City of North Royalton, Ohio.

WITNESS WHEREOF, the City of North Royalton, Ohio, the County of Cuyahoga, Ohio, Holdings, RGS Management, LLC, La'szeray Technology, LLC and Laztech Real Estate, LLC have caused this instrument to be executed on this _____ day of _____, 2013.

City of North Royalton, Ohio

County of Cuyahoga, Ohio

By: Edward FitzGerald, County Executive

By: _____

Robert Stefanik, Mayor

RGS Holdings, Inc. (formerly known as

Laszeray Technology, Inc.)

By: _____

Title:

RGS Management, LLC

By: _____

Raymond Seuffert, President

Las'zeray Technology, LLC

By: _____

Raymond Seuffert, President

Laztech Real Estate, LLC

By: _____

Title

By: _____

Title

Approved as to form:

Thomas Kelly, Law Director

NOTE:

A copy of this Amendment No. 1 must be forwarded to the Ohio Departments of Taxation and Development within fifteen (15) days of approval to be finalized.