

**DESCRIPTION OF MATERIAL PENDING LITIGATION
FOR
THE NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
FY2025**

IDA, and in certain situations as co-defendant with The City and/or NYCEDC, is involved in personal injury, environmental claims, and other miscellaneous claims and lawsuits. In many of these matters, there is liability coverage insuring IDA, and IDA's clients are, in any case, obligated to indemnify IDA. IDA is unable to predict the outcome of each of these matters but believes that IDA has meritorious defenses or positions with respect thereto. It is management's opinion that, except for the matters noted below, the ultimate resolution of these matters will not be material to IDA.

Management believes that the following matters could have a material adverse effect on IDA's operations:

By letters dated January 7, 2009, December 2, 2009, and a Consent Order dated May 22, 2013, the New York State Department of Environmental Conservation (DEC) has notified IDA that DEC will seek contribution from IDA in connection with the remediation, respectively, of three sites in Brooklyn, one site in Long Island City, and another site in Queens that are or were used by project companies to which IDA has provided financial assistance. In addition, by letter dated July 2, 2025, DEC notified the Agency of potential off-site contamination at another site of a former project company in Brooklyn. No estimate can be determined at this time. IDA does not carry insurance that would cover any such costs. If IDA is found to have liability, IDA would be entitled to indemnification from these project companies.

In October 2024, Brooklyn Union Gas (d/b/a National Grid) filed a federal complaint in a lawsuit naming forty defendants including the City and IDA as potentially responsible parties, seeking contribution for remediation of the Gowanus Canal relating to its Superfund designation. IDA was named because of its involvement with eleven sites located in proximity to the Gowanus Canal, which were or are currently used by project companies to which IDA has provided financial assistance. The lawsuit is in an early discovery stage, so no estimate can be determined at this time. The City is providing defense for IDA in this matter, but IDA does not carry insurance that would cover any such liability. If IDA is found to have liability, IDA would be entitled to indemnification from these project companies.

IDA is unable to predict the outcome of the matters described above. It is possible that the remediation costs could be material and would exceed the project companies' ability to meet their indemnity obligations. IDA believes it has meritorious defenses with respect thereto.