

FIRST AMENDMENT TO LEASEBACK AGREEMENT

This First Amendment to Leaseback Agreement (the "First Leaseback Amendment") dated as of July 1, 2020 is entered into by and between **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a New York public benefit corporation having its office at 584 Phoenix Drive, Rome, New York 13441 and **VARFLEX CORPORATION**, a New York corporation having an address of Post Office Box 551, Rome, New York 13442 (the "Company"), and amends that certain Leaseback Agreement dated as of October 1, 2013 (the "Leaseback Agreement") entered into by and between the Agency and the Company, a memorandum of which was recorded in the Oneida County Clerk's Office on October 22, 2013 at Instrument Number R2013-1480.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Leaseback Agreement.

Recitals

A. Pursuant to a certain Lease Agreement dated as of October 1, 2013 (the "Lease Agreement"), the Company conveyed to the Agency a leasehold interest in a 52,000± square foot manufacturing facility (the "Existing Improvements") located on a 7.64± acre parcel of land situated at 5780 Success Drive, City of Rome, Oneida County, New York (the "Land" and together with the Existing Improvements the "Existing Facility").

B. Pursuant to the Leaseback Agreement, the Company agreed to acquire, renovate and equip the Existing Facility, as agent of the Agency, and the Agency agreed to lease the Existing Facility to the Company for a term commencing as of October 1, 2013 and terminating June 30, 2025.

C. The Company and the Agency previously entered into a payment-in-lieu-of-tax agreement dated as of October 1, 2013 (the "PILOT Agreement") pursuant to which the Company agreed to make payments in lieu of real property taxes on the Existing Facility for the terms of the Lease Agreement and the Leaseback Agreement.

D. The Company now proposes to undertake a certain project consisting of construction of a 12,000± square foot addition to the Existing Improvements (the "Addition") and acquire and install equipment in the Addition (the "2020 Equipment") (the Addition and the 2020 Equipment are collectively referred to as the "2020 Facility" and the construction and equipping of the 2020 Facility is referred to as the "2020 Project"), and will lease the 2020 Facility to the Agency pursuant to a First Amended and Restated Lease Agreement dated as of July 1, 2020 (the "First Amended Lease").

E. The Company has requested that the Agency provide financial assistance for the 2020 Project by granting abatement of real property taxes on the incremental

assessment of the 2020 Facility resulting from the construction of the 2020 Addition for a period of ten (10) years and exemptions from sales and use taxes on materials purchased in connection with the 2020 Project.

F. By resolution dated February 12, 2020, the Agency determined to undertake the 2020 Project and to grant the financial assistance requested in connection therewith.

G. The Agency and the Company now desire to amend the Leaseback Agreement to amend the definition of the Facility to add and include the 2020 Facility.

Agreement

In consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agency and the Company hereby agree as follows:

1. Amendments to Leaseback Agreement.

(a) The definition of "Addition" is hereby incorporated to mean the 12,000± square foot addition to the Improvements.

(b) The definition of "Equipment" is hereby amended to add and include the 2020 Equipment.

(c) The definition of "Facility" is hereby amended to add and include the 2020 Facility.

(d) The definition of "Improvements" is hereby amended to add and include the Addition.

(e) The definition of "Job Creation Agreement" is hereby amended to mean the First Amended and Restated Job Creation and Recapture Agreement dated as of July 1, 2020 by and between the Agency and the Company

(f) The definition of "Lease Agreement" is hereby revised to mean the First Amended and Restated Lease Agreement dated as of July 1, 2020 from the Company to the Agency.

(g) The definition of "Project" is hereby amended to add and include the 2020 Project.

(h) The definition of "PILOT Agreement" is hereby amended to mean the First Amended and Restated PILOT Agreement dated as of July 1, 2020 by and between the Agency and the Company.

(i) By virtue of updating the definitions within the Leaseback Agreement, said definitions are incorporated throughout all Transaction Documents.

2. Lease Term. Section 2.5(b) is hereby amended to read: "Except as provided in Section 7.1 hereof, the leasehold estate created hereby shall terminate at 11:59 p.m. on June 30, 2031 or on such earlier date as may be permitted by Section 8.1 hereof."

3. Rent. Section 2.6(a) is hereby amended to read: "The Company shall pay basic rent for the Facility as follows: Seven Hundred Fifty Dollars (\$750.00) per year on the First Business Day of each and every January during the remaining term of this Leaseback Agreement."

4. Ratification. Except as expressly amended hereby, the Leaseback Agreement is in all respects ratified and confirmed, and the terms, provisions and conditions thereof shall be deemed to remain in full force and effect.

5. Counterparts. This First Amendment may be executed in duplicate counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

6. Effective Date. This First Amendment shall be effective as of July 1, 2020.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have executed and delivered this First Amendment to Leaseback Agreement as of the day and year first above written.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: David C. Grow
David C. Grow
Chairman

STATE OF NEW YORK)
) ss.:
COUNTY OF ONEIDA)


On the 1st day of July in the year 2020 before me, the undersigned, a notary public in and for said State, personally appeared **David C. Grow**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed this instrument.

Lori L. Patrick
Notary Public

LORI L. PATRICK
Notary Public, State of New York
No. 01PA6034055
Qualified in Oneida County
My Commission Expires Dec. 6, 2021

SECOND SIGNATURE PAGE OF
FIRST AMENDMENT TO LEASEBACK AGREEMENT
(VARFLEX CORPORATION FACILITY)

VARFLEX CORPORATION

By: 
Charles J. Schoff
Treasurer

STATE OF NEW YORK)
 : ss.:
COUNTY OF ONEIDA)

On the 21 day of July 2020 before me, the undersigned a notary public in and for said state, personally appeared **Charles J. Schoff**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

DALE E. RASHFORD
Notary Public, State of New York
Reg. #01RA4775763
Qualified in Oneida County
My Commission Expires Jan 31, 2023