

EAST COAST OLIVE OIL CORPORATION

and

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

Oneida County Industrial Development Agency
2007 Real Estate Transfer
(East Coast Olive Oil Corporation Facility)

Oneida County, City of Rome, Rome Central School District

Tax Account No.: Part of CTM 243.000-1-1.3

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS AGREEMENT, dated as of January 1, 2007, is by and between **EAST COAST OLIVE OIL CORPORATION**, a corporation duly organized and validly existing under the laws of the State of New York, having an address of 75 Wurz Avenue, Utica, New York 13502 (the "Company") and **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, an industrial development agency and a public benefit corporation of the State of New York having its principal office at 153 Brooks Road, Rome, New York 13441-4105 (the "Agency").

W I T N E S S E T H:

WHEREAS, the Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law, Chapter 99 of the Consolidated Laws of New York, as amended, (the "Enabling Act"), and Chapter 372 of the Laws of 1970 of the State of New York, as amended, constituting Section 901 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of, among others, industrial facilities for the purpose of promoting, attracting and developing economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the United States of America, acting by and through the Secretary of the Air Force, conveyed to the Agency a 63.919± acre parcel of land situate in the Griffiss Business and Technology Park, Rome, New York commonly known as "Parcel F1" by means of a Quit Claim Deed dated March 21, 2000 and recorded on August 4, 2000 in the Oneida County Clerk's Office in Book 2929 of Deeds at Page 191; and

WHEREAS, the Agency, as lessor, leased said Parcel F1 to Griffiss Local Development Corporation ("GLDC"), as lessee, pursuant to a lease agreement dated as of May 1, 2000 (the "Agency/GLDC Lease Agreement"); and

WHEREAS, a memorandum of the Agency/GLDC Lease Agreement was recorded on August 4, 2000 in the Oneida County Clerk's Office in Book 2929 of Deeds at Page 274; and

WHEREAS, pursuant to the Agency/GLDC Lease Agreement and at any time during the term thereof, GLDC has the right to acquire from the Agency the fee title to any portion of Parcel F1 which has not heretofore been conveyed to a third party; and

WHEREAS, GLDC and the Company entered into a purchase agreement dated as of May 19, 2006, as the same may be amended from time to time (the "Purchase Agreement") whereby GLDC agreed to sell, and the Company agreed to purchase, a 22.693± acre portion of Parcel F1 (the "Land"); and

WHEREAS, the Company desires to construct on the Land a 185,000± square foot manufacturing warehouse and distribution facility and related improvements (the "Building") and acquire, renovate and install machinery and equipment in the Building (the "Equipment") (the Land, the

Building, and the Equipment being collectively referred to as the "Facility"), all to be used by the Company in connection with importing, packing and distributing edible oils and other food products; and

WHEREAS, in order to induce the Company to develop the Facility, the Agency is willing to convey a fee interest in the Land to GLDC who, in turn, will convey said fee interest in the Land to the Company, take a leasehold interest from the Company in the Land, the Building and the Equipment constituting the Facility pursuant to the terms and conditions of a Lease Agreement dated as of the date hereof (the "Lease Agreement") and lease said Facility back to the Company pursuant to the terms and conditions of a Leaseback Agreement dated as of the date hereof (the "Leaseback Agreement"); and

WHEREAS, the Agency has agreed to accept a leasehold interest to the Facility from the Company pursuant to the Lease Agreement and lease back said Facility to the Company pursuant to the Leaseback Agreement in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Facility will be exempt from real property taxes, general property taxes, general school district taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Facility or the interest therein of the Company or the occupancy thereof by the Company commencing July 31, 2007, the taxable status date, (the "Exempt Taxes"), because the Agency has a leasehold or other interest in the Facility and used for a purpose within the meaning of the applicable Constitutional and statutory provisions, including the Enabling Act, provided, however, such exemption will not extend to special assessments or ad valorem levies; and

WHEREAS, the Company understands that it, as lessee of the Facility leased by the Agency, will, in fact, have no Exempt Taxes to pay under the provisions of the Leaseback Agreement from July 31, 2007 through the term of the Leaseback Agreement (the "Exemption Term") (each year measured by the twelve month period commencing with the last Tuesday of each July (beginning on July 31, 2007), through and including the Monday immediately preceding the last Tuesday of the next succeeding July (herein referred to as an "Exemption Year"); and

WHEREAS, as a condition precedent to its obligation to accept title to the Facility and enter into the Lease Agreement the Agency requires that the Company enter into this Agreement with the Agency whereby the Company agrees (a) to make certain payments to the Agency from which the Agency, in turn, will make payments to the City of Rome, the County of Oneida, and the Rome City School District (each a "Taxing Authority" and, collectively, the "Taxing Authorities") and to GLDC in accordance with the provisions of that certain Agreement Allocating PILOT Payments dated as of June 22, 2006 entered into by and among the Taxing Authorities, the Agency and GLDC pursuant to the Enabling Act (the "Agreement Allocating PILOT Payments"), a copy of which Agreement Allocating PILOT Payments is attached hereto as **Exhibit A** and the terms of which are incorporated herein by reference, and (b) to pay all special assessments and ad valorem levies imposed upon the Facility for which the Facility is not exempt, and (c) to pay all Exempt Taxes which are or become a lien against, or are to become due, either before the Exemption Term commences or after the Exemption Term ends; and

WHEREAS, to the best of the Agency's knowledge, there are no real property taxes, general property taxes, general school district taxes, or rollback taxes that are currently due or represent a Lien against the Facility, or any portion thereof, prior to the Closing Date as specified in the Leaseback Agreement; and

WHEREAS, all defined terms herein as indicated by the capitalization of the first letter thereof and not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Leaseback Agreement (including Schedule A thereto).

NOW, THEREFORE, to provide for certain payments in lieu of taxes to the Agency, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The Company shall pay to each Taxing Authority (at the address set forth in **Exhibit B** attached hereto) or to the applicable assessing entity (and its address):

(a) all taxes that are due with respect to the Facility prior to the Exemption Term, no later than the last day on which such payment may be made without penalty; and

(b) all special assessments and ad valorem levies coming due and payable during the term of the Leaseback Agreement for which the Facility is not exempt, no later than the last day on which such payments may be made without penalty.

Notwithstanding anything to the contrary herein contained, with respect to special assessments and ad valorem levies that may be lawfully paid in installments, the Company may elect to pay the same in such installments or in any combination of installments or payments that are allowed by the Taxing Authority or other entity assessing such levy.

2. The Company shall pay to the Agency an amount annually in lieu of the Exempt Taxes (each, a "PILOT Payment" and, collectively, the "PILOT Payments") during each Exemption Year, as follows:

(a) an amount equal to one hundred percent (100%) of such Exempt Taxes during each Exemption Year from the first (1st) through and including the fifth (5th) Exemption Year; and

(b) an amount equal to two-thirds (2/3) of such Exempt Taxes during each Exemption Year from the sixth (6th) through and including the fifteenth (15th) Exemption Year; and

(c) an amount equal to one hundred percent (100%) of such Exempt Taxes during each Exemption Year after the fifteenth (15th) Exemption Year.

Upon its receipt of PILOT Payments, the Agency shall allocate and remit the appropriate proportional shares thereof due to GLDC and each of the Taxing Authorities in accordance with the terms and provisions of the Agreement Allocating PILOT Payments.

Anything herein to the contrary, notwithstanding, this Agreement shall terminate on the date on which the Leaseback Agreement shall terminate and the Agency shall terminate its leasehold interest in the Facility pursuant to the Leaseback Agreement.

Anything herein to the contrary, notwithstanding, upon the failure of the Company in making any payment when due hereunder including, without limitation, any failure of the Company to make any PILOT Payment or pay the Early Termination Charge (as hereinafter defined), if applicable, and upon failure to cure such default within thirty (30) days of receipt of notice as herein provided, the Company shall thereafter pay (i) as PILOT Payments, one hundred (100%) percent of the Exempt Taxes and (ii) the Early Termination Charge, if applicable, together with interest at the rate of nine (9%) percent per annum on any such delinquent PILOT Payments or delinquent Early Termination Charge, if applicable, together with expenses of collection, including but not limited to, payment of reasonable attorneys' fees; provided, however, nothing herein contained shall be deemed to limit any other rights and remedies the Agency may have hereunder or under any other Transaction Document.

3. Except for payments due to a Taxing Authority pursuant to Section 1 hereof, the Company will make PILOT Payments to the Agency hereunder for each Exemption Year by making the required payment to the Agency no later than the last day during which such Exempt Taxes could otherwise be made without penalty as if the Facility was owned by the Company and not by the Agency.

4. The PILOT Payments to be made by the Company pursuant to this Agreement are intended to be in lieu of all Exempt Taxes that would have to be paid on the Facility leased to the Company by the Leaseback Agreement if the Agency did not have a leasehold or other interest in the Facility.

5. If by reason of a change in the Constitution or laws of the State of New York, or an interpretation of the Constitution or the laws of the State of New York by the Court of Appeals (or such lower court from which the time to appeal has expired) of the State of New York, or for any other reason, the Company is required to pay any tax which the payments specified herein are intended to be in lieu of, the Company may deduct the aggregate of any such payments made by it from the amount herein agreed to be paid in lieu of such taxes and need only pay the difference together with the Early Termination Charge (as herein after defined), if applicable. Furthermore, inasmuch as the PILOT Payments herein agreed to be made by the Company are intended to be in lieu of all Exempt Taxes, it is agreed that said payments shall not, as to any Exemption Year, be in an amount greater than would be payable for such year for such Exempt Taxes, in the aggregate, by a private corporation on account of its ownership of the Facility.

6. This Agreement shall be binding upon the successors and assigns of the parties.

7. It is the intent of the parties that the Company will have all the rights and remedies of a taxpayer with respect to any real property or other tax, service charge, special benefit, ad valorem levy, assessment or special assessment or service charge because of which, or in lieu of which, the Company is obligated to make a payment hereunder, as if and to the same extent as if the Company were the owner of the Facility. It is the further intent of the parties that the Company will have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility with respect to any proposed assessment or change in assessment concerning the property, or any portion thereof, whether through an assessor, board of assessment review, court of law, or otherwise and likewise will be entitled to protest before and be heard by such assessor, board of assessment review, court of law or otherwise and will be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any taxes that would have been payable but for the provisions hereof. In the event, however, that a court of competent jurisdiction shall enter an order or judgment determining or declaring that, by reason of the Agency's ownership of

the Facility, the Company does not have the right to bring a proceeding to review such assessment under the Real Property Tax Law or any other law, then the Company shall have the right to contest such assessment in the name and as the agent of the Agency, and the Agency agrees to cooperate with the Company in all respects in any such proceeding at the sole cost and expense of the Company.

8. All amounts payable by the Company hereunder will be paid to the Agency or the respective Taxing Authority, as applicable, and will be payable in such lawful money of the United States of America as at the time of payment is legal tender for the payment of public and private debts, including a check payable in such money.

9. For so long as this Agreement is in effect and until the Company pays in full all sums due pursuant to this Agreement including the PILOT Payments and the Early Termination Charge (as hereinafter defined), if applicable, the Company hereby unconditionally and irrevocably waives its right, if any, to apply for and/or receive the benefit of any other real property tax exemption with respect to the Facility, including, without limitation, any real property tax exemption that may be available under Section 485-b and Section 485-e of the Real Property Tax Law.

10. (a) This Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto and with the prior written consent of GLDC, which consent shall not be withheld if such amendment, change, modification or alteration does not adversely affect GLDC with respect to its obligations with the GLDC Lenders.

(b) All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, to the Agency or the Company, as the case may be, addressed as follows:

If to the Agency:

Oneida County Industrial Development Agency
153 Brooks Road
Rome, New York 13441-4105
Attn.: Chairman

With a Copy to:

Bond, Schoeneck & King, PLLC
501 Main Street
Utica NY 13501
Attn.: Linda E. Romano, Esq.

If to the Company:

East Coast Olive Oil Corporation
75 Wurz Avenue
Utica NY 13502
Attn.: Luis V. Gato, Director

With a Copy to:

Richard Cohen, Esq.
Cohen and Cohen, LLP
258 Genesee Street
Utica NY 13502

If to GLDC:

Griffiss Local Development Corporation
153 Brooks Road
Rome, New York 13441-4105
Attn.: Steven J. DiMeo, Authorized Representative

With a Copy to:

Saunders, Kahler, Amoroso & Locke, L.L.P.
185 Genesee Street, Suite 1400
Utica NY 13501
Attn.: Joseph E. Saunders, Esq.

provided, that the Agency or the Company or GLDC may, by notice given hereunder to the other, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

(d) This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

11. If, prior to the date that the GLDC Loans (as that term is defined in the Agreement Allocating PILOT Payments) are irrevocably paid in full, this Agreement is set aside (and thus no longer in effect), invalidated, or otherwise terminates or is terminated and said termination is not caused by any action or failure to act by GLDC, or the Company is in default with respect to its obligations hereunder, then, and in such event, and regardless of the reason therefor (unless it is by reason of an action or failure to act by GLDC), the GLDC Loans shall be deemed (for the purposes of this Agreement) to have been "accelerated" thereby becoming immediately due and payable, in full, whereupon the Company shall pay an early termination charge (the "Early Termination Charge") to the Agency in an amount equal to the then unpaid and outstanding combined principal balances or the "accelerated" GLDC Loans plus all accrued interest and other sums due pursuant thereto or in connection therewith (e.g. prepayment penalties or hedge or swap "breakage" fees, etc.).

If, prior to the date that the GLDC Loans are irrevocably paid in full, the aggregate amount of PILOT Payments due hereunder in any given Exemption Year reduces or is reduced to a level whereby the allocation of PILOT Payments to be made by the Agency to GLDC and the Taxing Authorities pursuant to the Agreement Allocating PILOT Payments would be insufficient to fully and timely pay the Scheduled Debt Service for GLDC Loans (as that term is defined in the Agreement Allocating PILOT Payments) for such Exemption Year, then GLDC shall promptly deliver written notice of such insufficiency to the Company and the Company shall, at its option, (i) elect to pay such insufficiency directly to GLDC at the normal time for which PILOT Payments are due; or (ii) pay to GLDC an amount equal to the Early Termination Charge.

Upon its receipt of the PILOT Payments and the Early Termination Charge, the Agency shall immediately remit the same to GLDC and the Taxing Authorities in accordance with the terms and provisions of the Agreement Allocating PILOT Payments.

Notwithstanding the above provisions, and provided that the Company has made PILOT Payments to the Agency in an amount sufficient (when allocated and remitted to GLDC by the Agency) to enable GLDC to timely pay the Scheduled Debt Service for GLDC Loans (as defined in the Agreement Allocating PILOT Payments), the Company's obligation with respect to any Early Termination Charge shall not, under any circumstances, exceed the principal amount provided in **Exhibit C**, based upon the date that the Early Termination Charge becomes due, plus accrued interest and any other sums which may be due with respect to the GLDC Loans (e.g., prepayment penalties, hedge agreement "breakage" fees, etc.) and any interest due hereunder. In addition, the principal amounts provided in **Exhibit C** shall be reduced by any portion of the \$1,325,000.00 in PILOT – Tax Increment Financing proceeds that has not been disbursed by GLDC to the Company under the provisions of the May 18, 2006 Financial Incentives Letter from GLDC to the Company attached to the Purchase Agreement as Schedule 12.1.12 (the "Financial Incentives Letter") or any other document related to the Facility as of the date that the Early Termination Charge becomes due. The payment of an Early Termination Charge under this PILOT Agreement by the Company prior to a disbursement of the PILOT – Tax Increment Financing proceeds by GLDC to the Company will terminate GLDC's obligation to make any further disbursements or such proceeds to the Company.

12. Notwithstanding anything to the contrary herein contained, the Company shall not assign its rights or delegate its duties or obligations under this Agreement without the prior written consent of the Agency, which consent shall not be unreasonably withheld, conditioned or delayed. The Agency shall have the right to assign this Agreement to any person or entity. Without limiting the generality of the foregoing, the Agency shall have the right to assign this Agreement to GLDC and /or to any one or more of the GLDC Lenders (as defined in the Agreement Allocating PILOT Payments) as collateral security for the payment of any one or more of the GLDC Loans (as defined in the Agreement Allocating PILOT Payments). The Agency shall notify the Company of any assignment and send a copy of the assignment agreement to the Company.

13. The Company shall make PILOT Payments to the Agency in accordance with the provisions hereof until such time as the Facility is placed on the tax roll as a non-exempt property and Exempt Taxes first become due and payable.

14. Notwithstanding anything to the contrary contained herein, the obligations of the Company to the Agency hereunder including, without limitation, the Company's obligations to make the PILOT Payments and to pay the Early Termination Charge, if applicable, shall survive the expiration or termination of this Agreement.

15. The obligations of the Agency under the PILOT Agreement and the Agreement Allocating PILOT Payments constitute a special obligation of the Agency, and all charges payable pursuant to or expenses or liabilities incurred thereunder shall be payable solely out of the revenues and other moneys of the Agency derived and to be derived from PILOT Payments. Neither the members, officers, agents (except the Company) or employees of the Agency, nor any person executing the Agency Documents, shall be liable personally or be subject to any personal liability or accountability by reason of the leasing, construction, renovation, equipping or operation of the Facility. The obligations of the Agency under the Agency Documents are not and shall not be an obligation of the State or any municipality of the State

and neither the State nor any such municipality (including, without limitation, Oneida County) shall be liable thereon.

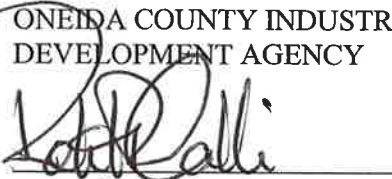
[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this **PILOT Agreement** as of the date first above written.

EAST COAST OLIVE OIL CORPORATION


By: 
Luis V. Gato
Director

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Robert R. Calli
Chairman

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

On the 9th day of January 2007 before me, the undersigned a notary public in and for said state, personally appeared **Luis V. Gato**, 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

LAURA S. RUBERTO
Notary Public, State of New York
Appointed in Oneida County
Commission Expires Aug. 1, 2010

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

On the ^{11th} day of January 2007 before me, the undersigned a notary public in and for said state, personally appeared **Robert R. Calli**, 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

LAURA S. RUBERTO
Notary Public, State of New York
Appointed in Oneida County
Commission Expires Aug. 1, 2010

EXHIBIT A

Agreement Allocating PILOT Payments

AGREEMENT ALLOCATING PILOT PAYMENTS

THIS AGREEMENT ALLOCATING PILOT PAYMENTS dated as of June 22, 2006 (the "Agreement") is by, between and among **COUNTY OF ONEIDA**, a New York municipal corporation with offices at County Office Building, 800 Park Avenue, Utica, New York 13501 (the "County"), **CITY OF ROME**, a New York municipal corporation with offices at City Hall, 198 North Washington Street, Rome, New York 13440 (the "City"), **ROME CITY SCHOOL DISTRICT**, a New York school district with offices at 112 East Thomas Street, Rome, New York 13440 (the "School District") (the County, the City and the School District are hereinafter sometimes collectively referred to as the "Affected Tax Jurisdictions"), **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a New York public benefit corporation with offices at 153 Brooks Road, Rome, New York 13441 (the "Agency"), and **GRIFFISS LOCAL DEVELOPMENT CORPORATION**, a New York local development corporation with offices at 153 Brooks Road, Rome, New York 13441 ("GLDC").

W I T N E S S E T H:

WHEREAS, the United States of America, acting by and through the Secretary of the Air Force, conveyed a 63.919 ± acre parcel of land ("Parcel F1") located in the Griffiss Business & Technology Park, Rome, Oneida County, New York to the Agency by means of a Quit Claim Deed dated March 21, 2000 and recorded on August 4, 2000 in the Oneida County Clerk's Office in Book of Deeds 2929 at Page 191; and

WHEREAS, the Agency, as lessor, leased said Parcel F1 to GLDC, as lessee, for a term of ten (10) years pursuant to that certain lease agreement dated as of May 1, 2000 (the "Agency/GLDC Lease Agreement"); and

WHEREAS, a memorandum of the Agency/GLDC Lease Agreement was recorded on August 4, 2000 in the Oneida County Clerk's Office in Book of Deeds 2929 at Page 274; and

WHEREAS, pursuant to the Agency/GLDC Lease Agreement, and at any time during the term thereof, GLDC has the right to acquire from the Agency the fee simple title to any portion of said Parcel F1 which previously has not been conveyed or otherwise transferred to a third party; and

WHEREAS, GLDC has notified the Agency that it intends to acquire the fee simple title to an 22.691± acre portion of said Parcel F1 (the "Land"), which Land is more particularly shown on a map entitled "Property Map Showing a Portion of Lands of Oneida County Industrial Development Agency, City of Rome, County of Oneida, State of New York" made by Michael P. Waters, P.L.S. No. 50027, dated May 23, 2006 and last revised December 11, 2006, a reduced-sized copy of which map is annexed hereto and made a part hereof as **Exhibit A**; and

WHEREAS, GLDC and East Coast Olive Oil Corporation ("ECOO") have entered into or are about to enter into various agreements (collectively, the "GLDC/ECOO Agreements") which provide or will provide that, among other things, upon acquiring the fee simple title to the Land from the Agency, GLDC will sell, transfer and convey said Land to ECOO; and

WHEREAS, the GLDC/ECOO Agreements further provide or will further provide that, upon acquiring the fee simple title to the Land from GLDC, ECOO will construct thereon a building (the "Building") containing approximately 157,715 gross square feet of floor area, and related improvements, (the "Related Improvements"), acquire equipment (the "Equipment") and install the same in said Building, and thereafter operate said Building as a production, packaging and distribution facility (the "Distribution Center") servicing the wholesale and retail markets in the food service industry (ECOO's acquisition of the Land, its construction of the Building and Related Improvements, its acquisition of the Equipment and installation of the same in the Building, and its operation of the production, packaging and distribution center are hereinafter sometimes collectively referred to as the "ECOO Project"); and

WHEREAS, ECOO expects to retain and/or create jobs for at least one hundred forty (140) full-time, permanent employees at the Distribution Center by December 1, 2010;

WHEREAS, the GLDC/ECOO Agreements further provide or will further provide that GLDC shall obtain one or more loans (from itself through internal borrowings and from outside sources), in the aggregate sum not to exceed \$2,660,000.00 (collectively, the "GLDC Loans"), which GLDC Loans are more particularly described in Exhibit B annexed hereto and made a part hereof; and

WHEREAS, the proceeds of the GLDC Loans shall be used by GLDC to either directly or indirectly finance and/or refinance various "hard" costs and "soft" costs incurred or to be incurred by it or others in connection with the ECOO Project including, without limitation, (i) the cost of acquiring the Land from the Agency, (ii) the cost of making certain "on-site" improvements to the Land, (e.g., extension of water and sewer lines, extension of an industrial access road to the Land, road improvements, construction of a rail runaround for Mohawk Adirondack and Northern Rail Road, and fencing), (iii) the cost of architectural, engineering, geotechnical investigations, surveys, and legal services, (iv) the cost of environmental surveys, investigations and remedial actions, (v) the cost of closing on the GLDC Loans (e.g., bank fees, attorneys' fees and disbursements, title insurance premiums, survey expenses), (vi) the cost of interim interest, and (vii) the cost of GLDC's/Mohawk Valley EDGE's project fee; and

WHEREAS, the GLDC/ECOO Agreements further provide or will further provide that GLDC shall establish a Rail Improvements Escrow Account and a Transportation Rebate Fund, each of which will be capitalized out of the PILOT Payments (as hereinafter defined) made by ECOO to OCIDA; and

WHEREAS, the Rail Improvements Escrow Account shall be used by GLDC to maintain the rail line at Griffiss Business and Technology Park and shall be capitalized over a period of twenty-five (25) years in an amount not to exceed \$225,000.00, as is more particularly set forth in Exhibit C-1 annexed hereto and made a part hereof; and

WHEREAS, the Transportation Rebate Fund shall be used by GLDC to reimburse ECOO for a portion of its inbound and outbound freight costs and shall be capitalized over a period of twenty-five (25) years in an amount not to exceed \$1,225,000.00, as is more particularly described in Exhibit C-2 annexed hereto and made a part hereof; and

WHEREAS, in order to better facilitate the ECOO Project, ECOO has requested or will request the Agency to undertake a "project", as that term is defined in the New York State Industrial Development Agency Act, General Municipal Law §850, et seq. (the "Act") consisting of (A)(i) the acquisition of the Land, (ii) the construction on the Land of the Building and Related Improvements, (iii) the acquisition of the Equipment and the installation of the same in the Building (the Land, the Building and Related Improvements, and the Equipment are hereinafter sometimes collectively referred to as the "Facility"), (B) the granting of certain other "financial assistance", as that term is defined in Section 854(14) of the Act, with respect to the foregoing, including an exemption from sales taxes, real estate transfer taxes, mortgage recording taxes and Real Property Taxes (as hereinafter defined), and (C) the leasing of the Facility to ECOO over a term of not less than twenty-five (25) years pursuant to a lease agreement (the "Lease Agreement"); and

WHEREAS, in connection with the "project", ECOO has requested or will request the Agency to enter into a payment-in-lieu-of-tax agreement ("PILOT Agreement") with ECOO having a term of not less than twenty-five (25) years; and

WHEREAS, as a further inducement to the Agency to enter into said PILOT Agreement, one or more of ECOO's affiliates and/or subsidiaries may enter into a guaranty agreement with the Agency (the "PILOT Guaranty") whereby it or they unconditionally guarantee the payment and performance by ECOO of its obligations to the Agency under the PILOT Agreement including, without limitation, its obligation to make the PILOT Payments to the Agency; and

WHEREAS, under the PILOT Agreement, ECOO will be obligated to make payments in lieu of taxes (the "PILOT Payments") to the Agency (A) each year during the first five (5) years of the term of the PILOT Agreement in an amount equal to one hundred percent (100%) of the real property taxes, general property taxes, general school district taxes, general assessments, service charges or other governmental charges of a similar nature (excluding special assessments and/or ad valorem levies) which would be levied and/or assessed upon the Facility or ECOO's interest therein or occupancy thereof (collectively, the "Real Property Taxes") during such year if the Facility were not exempt from such Real Property Taxes, (B) each year during the next ten (10) years of the term of the PILOT Agreement in an amount equal to two-thirds (2/3rds) of the Real Property Taxes which would be levied and/or assessed upon the Facility during such year if the Facility were not exempt from such Real Property Taxes and (C) each year thereafter during the term of the PILOT Agreement, if any, in an amount equal to one hundred percent (100%) of the Real Property Taxes which would be levied and/or assessed upon the Facility during such year if the Facility were not exempt from such Real Property Taxes; and

WHEREAS, in accordance with Section 858(15) of the Act, the parties hereto desire to allocate the PILOT Payments received by the Agency among GLDC and the Affected Taxing Jurisdictions as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the sum of One Dollar (\$1.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. So long as any portion of any of the GLDC Loans is unpaid and outstanding, or any portion of the Rail Improvements Escrow Account is not funded to the level specified in Exhibit C-1, or any portion of the Transportation Rebate Fund is not funded to the level specified in Exhibit C-2, the Agency shall allocate the PILOT Payments received by it among GLDC and the Affected Taxing Jurisdictions in the following order and amounts:

FIRST: During each Exemption Year (as that term is defined in the PILOT Agreement), the Agency shall pay to GLDC that portion of the PILOT Payments received by it in such Exemption Year as is necessary to enable GLDC to pay the annual scheduled debt service (i.e., principal, interest and other sums, if any) due with respect to the GLDC Loans for such Exemption Year (the "Scheduled Debt Service for GLDC Loans"), a copy of which is annexed hereto and made a part hereof as **Exhibit D**.

SECOND: During each Exemption Year, the Agency shall pay to GLDC that portion of the PILOT Payments received by it in such Exemption Year as is necessary to enable GLDC to make the annual deposits into (a) the Rail Improvements Escrow Account for such Exemption Year (to the level specified in Exhibit C-1) (collectively, the "Rail Improvements Escrow Account Deposits"), and (b) the Transportation Rebate Fund for such Exemption Year (to the level specified in Exhibit C-2) (the "Transportation Rebate Fund Deposits").

THIRD: During each Exemption Year, the Agency shall allocate the remaining portion of the PILOT Payments received by it (i.e., that portion which remains after deducting therefrom and paying to GLDC an aggregate amount equal to (a) the Scheduled Debt Service for GLDC Loans for such Exemption Year, (b) the Rail Improvements Escrow Account Deposits for such Exemption Year, and (c) the Transportation Rebate Fund Deposits for such Exemption Year) among the Affected Tax Jurisdictions in proportion to the amount of Real Property Taxes which would have been received by each of said Affected Tax Jurisdictions in such year if the Facility were not then exempt from Real Property Taxes.

2. If, and to the extent that, the PILOT Agreement continues in effect from and after the date on which the GLDC Loans have been paid, in full, the Agency shall allocate the PILOT Payments received by it among the Affected Tax Jurisdictions in proportion to the amount of Real Property Taxes which would have been received by each of said Affected Tax Jurisdictions in such year if the Facility were not then exempt from Real Property Taxes.

3. The PILOT Agreement shall contain such provisions as may be requested by GLDC in order to provide GLDC, and the lenders who made the GLDC Loans, with assurances satisfactory to them, in their sole discretion, that the PILOT Agreement and the PILOT Guaranty, if any will be enforceable against ECOO at all times until the GLDC Loans are irrevocably paid in full. Without limiting the generality of the foregoing, if GLDC so requests, the PILOT Agreement shall provide that if, prior to the date that the GLDC Loans are irrevocably paid in full, (a) the PILOT Agreement is set aside, invalidated or otherwise terminates or is terminated or (b) ECOO's obligation to make PILOT Payments thereunder reduces or is reduced to a level whereby the allocation of the PILOT Payments made by the Agency pursuant to paragraph 1 above would be insufficient to fully pay the Scheduled Debt Service for GLDC Loans, then, and in such event, and regardless of the reason therefor, the GLDC Loans shall be deemed (for the purposes of the PILOT Agreement) to have been "accelerated" thereby becoming immediately due and payable, in full, and ECOO shall pay an early termination charge (the "Early Termination Charge") to the Agency in an amount equal to the then unpaid and outstanding combined principal balances of the "accelerated" GLDC Loans plus all accrued interest and other sums due pursuant thereto or in connection therewith (e.g., prepayment penalties, hedge agreement "breakage" fees, etc.) and that upon the Agency's receipt of such Early Termination Charge, it shall immediately remit the same to GLDC.

4. The PILOT Agreement shall contain a provision whereby ECOO unconditionally and irrevocably waives its right, if any, to apply for and/or receive the benefit of, any other real property tax exemption including, without limitation, any real property tax exemptions that may be available under Section 485-b and Section 485-e of the Real Property Tax Law for so long as the PILOT Agreement is in effect.

5. As collateral security for the payment of the GLDC Loans, the Agency agrees to assign its rights under the PILOT Agreement, the PILOT Guaranty, if any and this Agreement to the lenders who make the GLDC Loans to GLDC to the extent necessary to enable said lenders to enforce and fully collect upon their security for the GLDC Loans. Such assignment shall be in form and content satisfactory to the Agency, GLDC and the GLDC lenders, in their sole discretion.

6. Nothing contained herein shall be deemed to abridge, limit or restrict the City's ability (a) to impose or levy and to collect utility and/or service charges (in accordance with its standard rates for such utility and/or service charges in effect from time to time) for furnishing a municipal or private utility service including, without limitation, charges for water service, sanitary sewer service, solid waste collection, etc. to the ECOO Project or (b) to create special assessment districts within the boundaries of the Land and/or to add, levy and collect special assessments for improvements made within the boundaries of the Land.

7. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

[Remainder of Page Intentionally Left Blank]


IN WITNESS WHEREOF, the parties hereto have caused this Agreement Allocating PILOT Payments to be executed and delivered by their duly authorized officers as of the day and year first above written.

Approved As To Form
ONEIDA COUNTY ATTORNEY
By: 

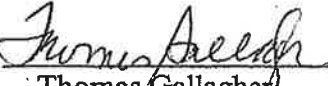
COUNTY OF ONEIDA

By: 
Joseph A. Griffo
County Executive


CITY OF ROME

By: 
James Brown
Mayor

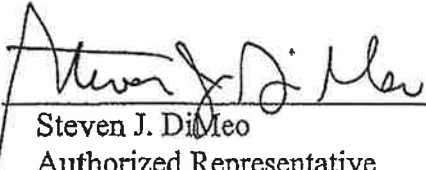
ROME CITY SCHOOL DISTRICT

By: 
Thomas Gallagher
Superintendent

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

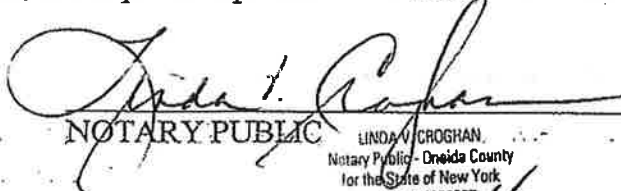
By: 
Robert R. Calli
Chairman

GRIFFISS LOCAL DEVELOPMENT
CORPORATION

By: 
Steven J. DiMeo
Authorized Representative


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

On this 31 day of May, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared JOSEPH A. GRIFFO, 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 LINDA CROGHAN
Notary Public - Oneida County
for the State of New York
No. 01CR6025787
Commission Expires 6/1/2007

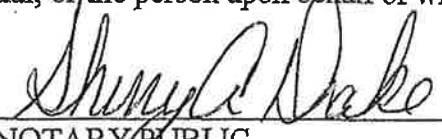
STATE OF NEW YORK)
) ss.:
COUNTY OF ONEIDA)

On this 14th day of June, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES BROWN, 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 LORNA A. PERRY
Notary Public, State of New York
Registration #01PE6051148
Qualified in Oneida County
Commission Expires Nov. 20, 2006

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


On this 20 day of June, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared THOMAS GALLAGHER 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 SHERRY A DRAKE
NOTARY PUBLIC IN THE STATE OF NEW YORK
APPOINTED IN ONEIDA COUNTY
MY COMMISSION EXPIRES 5/27/07

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

On this 2nd day of June, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared ROBERT R. CALLI 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.

WILLIAM S. CALLI, JR.
Notary Public, State of New York
Appointed in Oneida County
Reg. #02CA5008990
My Commission Expires: Jan. 19, 2007



NOTARY PUBLIC

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

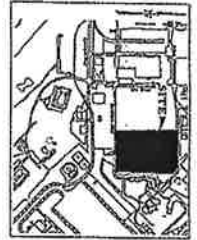
On this 22nd day of June, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared STEVEN J. DIMEO personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to 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

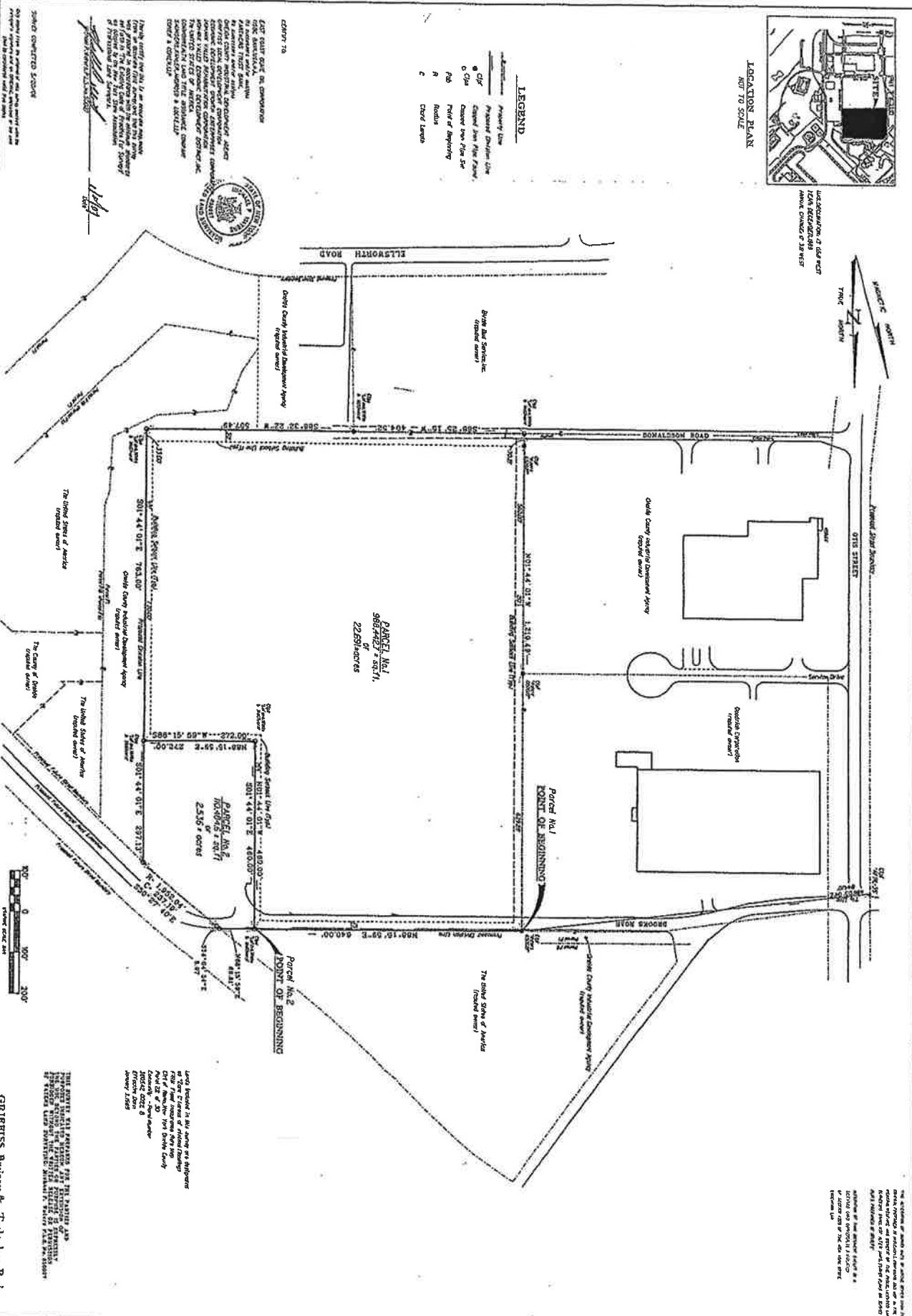
LORNA A. PERRY
Notary Public, State of New York
Registration #01PE6051148
Qualified in Oneida County
Commission Expires Nov. 20, 2006

Exhibit A
(Survey Map)



LOCATION PLAN
NOT TO SCALE

- LEGEND**
- Property Line
 - Proposed Building Line
 - CPZ
 - CPA
 - POB
 - R
 - C



CONTRACT NO.

DATE

BY

GRIPPISS BUSINESS & TECHNOLOGY PARK



<p>MAP SHOWING A PORTION OF LOTS OF ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY ECCO PARK CITY OF ROME COUNTY OF ONEIDA STATE OF NEW YORK</p>		<p>WATERS LAND SURVEYING 1527 Lynn NY 12400 518-242-9720</p>
<p>Revisions 1. 1/23/06 2. 12/17/06 3. 12/17/06 4. 12/17/06</p>	<p>Scale: 1"=100' Date: 5/23/06 Pl: dqn</p>	<p>Property Survey Sheet 1 of 5</p>

Exhibit B
(GLDC Loans)

Bank Loan (Lender TBD)	\$1,500,000.00
Mohawk Valley EDGE Loan	\$ 400,000.00
GLDC Loan #1	\$ 150,000.00
GLDC Loan #2	\$ 460,000.00
MORECO	<u>\$ 150,000.00</u>
Total:	\$2,660,000.00

Exhibit C-1
 Transportation Rail Improvements Fund
 PILOT – Tax Increment Financing Schedule¹

PILOT Year	Annual Deposit From PILOT Payments
1	\$4,000.00
2	\$4,000.00
3	\$4,000.00
4	\$4,000.00
5	\$4,000.00
6-10	\$5,000.00
11-15	\$6,000.00
16-20	\$15,000.00
21-25	\$15,000.00
Total	\$225,000.00

1. Transportation Improvements Fund is available to GLDC to support its maintenance of the rail line located at Griffiss.

Exhibit C-2
 Transportation Rebate Fund
 PILOT-Tax Increment Financing Schedule¹

PILOT Years	Annual Deposits From PILOT Payments
1	\$75,000.00
2	\$75,000.00
3	\$75,000.00
4	\$75,000.00
5	\$75,000.00
6-10	\$50,000.00
11-15	\$45,000.00
16-20	\$40,000.00
21-25	\$35,000.00
Total	\$1,225,000.00

1. GLDC shall apply a portion of the PILOT Payments that are paid by ECOO to OCIDA to capitalize this escrow account and shall reimburse ECOO in accordance with the annual payment schedule shown in this Exhibit C-2

Exhibit D
(Scheduled Debt Service for GLDC Loans¹)

Bank Loan (Lender TBD) 25.0 Years @ 8%, \$11,577.24/Month ²	\$1,500,000.00
Mohawk Valley EDGE Loan 5 Years, @ 5%, \$7,548.49/Month	\$ 400,000.00
GLDC Loan #1 5 Years, @ 5%, \$2,830.69/Month	\$ 150,000.00
GLDC Loan #2 25 Years @ 5%, \$2,689.11/Month	\$ 460,000.00
MORECO Loan 25 Years, @ 5%, \$876.89/Month	\$ 150,000.00
Total:	\$2,660,000.00

Total Monthly Debt Service Years 1-5: = \$25,522.42/Month
Total Monthly Debt Service Years 6-25: = \$15,143.24/Month

1. When they become available, amortization schedules for each of the above-referenced GLDC Loans may be attached to and incorporated as part of this Exhibit C.
2. Bank Loan will have interest rate adjustments after Year 5, which will change monthly P&I payments.

EXHIBIT B

Receiver of Taxes
Oneida County
800 Park Avenue
Utica, NY 13501

Receiver of Taxes
City of Rome
City Hall
198 North Washington Street
Rome, New York 13440
Attn.: City Treasurer

Receiver of Taxes
Rome City School District
112 East Thomas Street
Rome, New York 13440
Attn.: Michelle Boek, Treasurer

EXHIBIT C

Maximum Principal Amount of Early Termination Charge



BOND, SCHOENECK & KING, PLLC

ATTORNEYS AT LAW ■ NEW YORK FLORIDA KANSAS

April 17, 2007

VIA CERTIFIED MAIL

Joseph Surace, Assessor
City of Rome
198 North Washington Street
Rome NY 13440

*Re: Oneida County Industrial Development Agency 2007 Real Estate Lease
East Cost Olive Oil Corporation Facility*

Dear Mr. Surace:

Enclosed you will please find Form RP-412-a (Application for Real Property Tax Exemption) in connection with the above-referenced transaction. Attached to the Application is a copy of the Payment in Lieu of Tax Agreement, which sets forth the terms of the tax abatement that the Agency will grant to the Company effective July 31, 2007.

I direct your attention to the fact that all PILOT bills should be sent directly to the Company.

Should you have any questions on the enclosed, please do not hesitate to contact our offices.

Very truly yours,

Laura S. Ruberto
Paralegal

Enclosures

c: Attached Distribution List (w/enclosures)

Distribution List

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

James F. Brown, Mayor
City of Rome
Rome City Hall
198 North Washington Street
Rome, New York 13440

County of Oneida
Receiver of Taxes
800 Park Avenue
Utica, New York 13501

City of Rome, Receiver of Taxes
Rome City Hall
198 North Washington Street
Rome, New York 13440
Attn.: City Treasurer

Kathy Pilbeam, Director
Real Property Tax Services
Oneida County
800 Park Avenue
Utica, New York 13501

Thomas Gallagher, Superintendent
Rome City School District
112 East Thomas Street
Rome, New York 13440

Rome City School District
112 East Thomas Street
Rome, New York 13440
Attn.: Michelle Boek, Treasurer

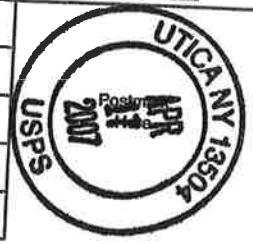
U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com.

OFFICIAL USE

7004 2890 0001 7275 6679

Postage	\$ 1.11
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	1.85
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$5.36



Sent To City of Rome Assessor
Street, Apt. No.,
or PO Box No. 198 N. Washington St
City, State, ZIP+4 Rome NY 13440

PS Form 3800, June 2002

See Reverse for Instructions



INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name Oneida County IDA
Street 153 Brooks Road
City Rome NY 13441
Telephone no. Day (315) 338-0393
Evening ()
Contact Shawna M. Papale
Title Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name East Coast Olive Oil Corporation
Street 75 Wurz Avenue
City Utica NY 13502
Telephone no. Day (315) 797-7070
Evening ()
Contact Luis V. Gato
Title Director

3. DESCRIPTION OF PARCEL

- a. Assessment roll description (tax map no./roll year) Part of CTM 243.000-1-1.3
b. Street address Donaldson, Brooks, Selfridge
c. City, Town or Village Rome

- d. School District Rome City SD
e. County Oneida
f. Current assessment
g. Deed to IDA (date recorded; liber and page) memorandum of lease recorded 4/11/2007 Index # R2007-000475

4. GENERAL DESCRIPTION OF PROPERTY

(if necessary, attach plans or specifications)

- a. Brief description (include property use) 22.693+ acre parcel of land and construction of a manufacturing facility, to be used for importing, packing & distributing food product
b. Type of construction
c. Square footage 185,000±
d. Total cost \$13,000,000±
e. Date construction commenced August 1, 2006
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA) July 26, 2032

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment See PILOT Agreement and Agreement Allocating PILOT Payments attached hereto and made a part hereof.

- b. Projected expiration date of agreement July 26, 2032

c. Municipal corporations to which payments will be made

	Yes	No
County _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village _____		<input checked="" type="checkbox"/>
School District _____	<input checked="" type="checkbox"/>	

d. Person or entity responsible for payment

Name East Coast Olive Oil Corp
 Title Luís V. Gato, Director
 Address 75 Wurz Avenue
Utica NY 13502

e. Is the IDA the owner of the property? Yes/No (circle one)
If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone 315-797-7070

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted:
exemption Former Griffiss AFB assessment roll year _____

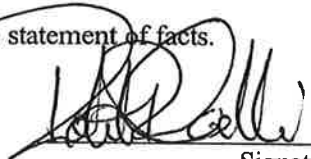
7. A copy of this application, including all attachments, has been mailed or delivered on 4/17/07 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Robert R. Calli, Chairman of
 Name Title
Oneida County Industrial Development Agency hereby certify that the information
 Organization

on this application and accompanying papers constitutes a true statement of facts.

January 9, 2007
Date


 Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

Date

Assessor's signature