

ALL SEASONINGS INGREDIENTS, INC.

and

ONX3-1.6, LLC

and

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

Oneida County Industrial Development Agency
2025 Real Estate Lease
(All Seasonings Ingredients, Inc. Facility)

Oneida County, City of Sherrill, Town of Verona, Vernon-Verona-Sherrill School District

Tax Account No.: **322.015-1-1.9**

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT, dated as of February 1, 2025, is by and among **ALL SEASONINGS INGREDIENTS, INC.**, a corporation duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 1043 Freedom Drive, Oneida, New York 13421 (the "Company"), **ONX3-1.6, LLC**, a limited liability company duly organized and validly existing under the laws of the State of Delaware and in good standing under the laws of the State of New York, having an address of Post Office Box 2279, Jupiter, Florida 33468-2279 (the "Owner") 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 584 Phoenix Drive, Rome, New York 13441 (the "Agency").

WITNESSETH:

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 Company has requested the Agency's assistance in connection with the renovation of a 63,000± square foot building, loading docks and parking lot (collectively, the "Improvements") situated on a 7.24± acre parcel of land located at 102 East Seneca Street, Suite 715, City of Sherrill, Town of Vernon, Oneida County, New York (the "Land") and acquisition and installation of equipment in the Improvements (the "Equipment"), all to be used for the purpose of importing, manufacturing and distributing high quality spices and ingredients (the Land, the Improvements and the Equipment referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"); and

WHEREAS, the Owner owns the Land and will construct the Improvements for the Company; and

WHEREAS, the Owner leases the Land and Improvements to the Company pursuant to a Lease Agreement dated February 6, 2024, as the same may be amended from time to time (the "Operating Lease Agreement"); and

WHEREAS, in order to induce the Company to undertake the Project, the Agency is willing to acquire a leasehold interest in the Land, Improvements and Equipment constituting the Facility and lease said Land, Improvements and Equipment to the Company

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pursuant to the terms and conditions contained in a Leaseback Agreement dated as of February 1, 2025 (the "Leaseback Agreement"); and

WHEREAS, the Agency has agreed to acquire an interest in the Facility 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 March 1, 2025 (the "Exempt Taxes"), because the Agency will own a leasehold interest in the Facility and the Facility will be used for a purpose within the meaning of the applicable Constitutional and statutory provisions, including the Enabling Act, provided, however, such exemption does not extend to special assessments or ad valorem levies; and

WHEREAS, the Company understands that it, as lessee under the Operating Lease Agreement and as sublessee of the Facility leased by the Agency, will, in fact, have Exempt Taxes to pay under the provisions of the Leaseback Agreement from the first date of the Exemption Term (as that date is determined by the parties and described herein) through the term of the Leaseback Agreement (the "Exemption Term"); and

WHEREAS, each year of the Exemption Term is more particularly set forth on Schedule B attached hereto (each year being referred to as an "Exemption Year"); and

WHEREAS, the Agency, the Owner and the Company deem it necessary and proper to enter into this agreement making provision for payments-in-lieu-of-taxes and such assessments by the Company to the City of Sherrill, the Town of Vernon, or any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is or may be, wholly or partially located, the County of Oneida, Vernon-Verona-Sherrill Central School District, and appropriate special districts (hereinafter each a "Taxing Authority" and collectively the "Taxing Authorities" more particularly set forth on Schedule A attached hereto and made a part hereof) in which any part of the Facility is or is to be located; 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.

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

1. The Company (or the Owner may, but is not obligated to, subject to the terms of the Operating Lease Agreement) shall pay to each Taxing Authority:

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

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

2. (a) The Company shall pay an amount in lieu of the Exempt Taxes (the "PILOT Payments") during each Exemption Year as follows:

- i. One-third of Exempt Taxes years one through and including five;
- ii. Two-thirds of Exempt Taxes years six through and including ten; and
- iii. One hundred percent of Exempt Taxes after year ten.

(b) 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 interest in the Facility pursuant to the Leaseback Agreement. The benefits under this Agreement are subject to the terms and conditions of a certain Job Creation and Recapture Agreement between the Agency and the Company dated as of February 1, 2025.

(c) Anything herein to the contrary, notwithstanding, upon the failure of the Company in making any payment when due hereunder and upon failure to cure such default within thirty (30) days of receipt of notice as herein provided, shall constitute an Event of Default under Section 7.1(a)(vi) of the Leaseback Agreement, and the Agency may take any one or all remedial steps afforded it in Section 7.2 of the Leaseback Agreement; 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. The Agency shall deliver to the Owner a duplicate copy of such written default notice to the Company and the Owner shall have the right, but not the obligation, to cure such default on behalf of the Company.

3. The Company will make PILOT Payments to each Taxing Authority hereunder for each Exemption Year by making the required payment to such Taxing Authority no later than the last day during which such Exempt Taxes could otherwise be made without penalty as if the Agency did not have a leasehold or other interest in the Facility. PILOT Payments that are delinquent under this Agreement shall be subject to a late penalty of five percent (5%) of the amount due which shall be paid by the Company to the affected Taxing Authority at the time the PILOT Payment is paid. For each month, or part thereof, that the PILOT Payment is delinquent beyond the first month, interest shall accrue to and be paid to the affected Taxing Authority on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.

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 own a leasehold 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. 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 Owner and the Company each 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 Owner or the Company is obligated to make a payment hereunder, as if and to the same extent as if the Agency did not own a leasehold interest in the Facility. It is the further intent of the parties that the Owner and the Company will each have all of the rights and remedies of a taxpayer as if and to the same extent as if the Agency did not own a leasehold interest in the Facility with respect to any proposed assessment or change in assessment concerning the Facility, 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 Owner or 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 Owner and/or 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 Owner and/or the Company in all respects in any such proceeding at the sole cost and expense of the Company provided, however, that the Owner or the Company, as appropriate, must provide written notice to the Agency at least forty-five (45) days prior to filing for a change in assessment and shall provide the Agency with copies of all documents relating to a change in assessment concerning the Facility to allow the Agency to determine whether such change in assessment impacts the original intention of the parties under this Agreement. Notwithstanding anything herein to the contrary, for so long as this Agreement is in effect, each of the Owner and the Company hereby unconditionally and irrevocably waives its respective 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.

8. All amounts payable by the Owner and/or the Company hereunder will be paid to the respective Taxing Authority 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. (a) If any term or provision hereof should be for any reason held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such term or provision will be deemed separate and independent and the remainder hereof will remain in full force and effect and will not be invalidated, impaired or otherwise affected by such holding or adjudication.

(b) This Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

(c) 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, or by a commercial overnight courier that guarantees next day delivery and provides a receipt, to the Agency, the Owner and the Company, as the case may be, addressed as follows:

To the Agency: Oneida County Industrial Development Agency
584 Phoenix Drive
Rome, New York 13441-4105
Attn.: Chairman

With a Copy To: Bond, Schoeneck & King, PLLC
501 Main Street
Utica, New York 13501
Attn.: Linda E. Romano, Esq.

To the Company: All Seasonings Ingredients, Inc.
1043 Freedom Drive
Oneida, New York 13421
Attn.: Brendan Farnach, President

With a Copy To: Campanie & Wayland-Smith PLLC
123 Farrier Avenue
Oneida, New York 13421
Attn.: John Campanie, Esq.

To the Owner: ONX3-1.6, LLC
Post Office Box 2279
Jupiter, Florida 33468
Attn.: Robert Trafford, Manager

With a Copy To: Hancock Estabrook LLP
1800 AXA Tower I
100 Madison Street
Syracuse, New York 13202
Attn.: Christian J. Danaher, Esq.

provided, that the Agency, the Owner and the Company may, by notice given hereunder to the others, 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.

(e) Nothing in this Agreement is intended to modify the rights and obligations of the Owner and the Company, respectively, under the Operating Lease Agreement. It is the intention of the Agency that the financial assistance under this Agreement is intended to inure to the benefit of the Company; nothing in this Agreement is intended to confer any financial assistance to the Owner.

[signature pages follow]

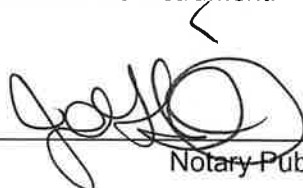
IN WITNESS WHEREOF, the parties have executed this **PILOT AGREEMENT** as of the date first above written.

ALL SEASONINGS INGREDIENTS, INC.

By: 
Brendan Farnach
President

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

On the 25th day of February 2025 before me, the undersigned a notary public in and for said state, personally appeared **Brendan Farnach**, 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/she/they executed the same in his/her/their capacity, and that by his/her/their signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



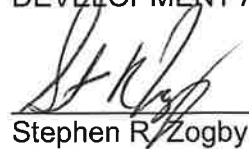
Notary Public



THIRD SIGNATURE PAGE TO PILOT AGREEMENT
ALL SEASONINGS INGREDIENTS, INC. FACILITY

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:



Stephen R. Zogby
Chairman

STATE OF NEW YORK

)

: ss.:

COUNTY OF ONEIDA

)

On the 21st day of February 2025 before me, the undersigned a notary public in and for said state, personally appeared **Stephen R. Zogby**, 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

SCHEDULE A

COUNTY OF ONEIDA
Receiver of Taxes
800 Park Avenue
Utica, New York 13501

CITY OF SHERRILL
Receiver of Taxes
337 Sherrill Road
Sherrill, New York 13461

TOWN OF VERNON
Receiver of Taxes
P.O. Box 643
Vernon, New York 13476

VERNON-VERONA-SHERRILL CENTRAL SCHOOL DISTRICT
Receiver of Taxes
5275 State Route 31
Verona, New York 13478

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SCHEDULE B

EXEMPTION YEARS

Exemption Year	Assessment Roll Year	County/Town Taxes	School Taxes
Year One	03/01/2025	01/01/2026 – 12/31/2026	07/01/2025 – 06/30/2026
Year Two	03/01/2026	01/01/2027 – 12/31/2027	07/01/2026 – 06/30/2027
Year Three	03/01/2027	01/01/2028 – 12/31/2028	07/01/2027 – 06/30/2028
Year Four	03/01/2028	01/01/2029 – 12/31/2029	07/01/2028 – 06/30/2029
Year Five	03/01/2029	01/01/2030 – 12/31/2030	07/01/2019 – 06/30/2030
Year Six	03/01/2030	01/01/2031 – 12/31/2031	07/01/2030 – 06/30/2031
Year Seven	03/01/2031	01/01/2032 – 12/31/2032	07/01/2031 – 06/30/2032
Year Eight	03/01/2032	01/01/2033 – 12/31/2033	07/01/2032 – 06/30/2033
Year Nine	03/01/2033	01/01/2034 – 12/31/2034	07/01/2033 – 06/30/2034
Year Ten	03/01/2034	01/01/2035 – 12/31/2035	07/01/2034 – 06/30/2035