

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT (the "Agreement"), dated as of March 18, 2019, by and between BUCKINGHAM MANUFACTURING CO., INC., a corporation duly organized and validly existing under the laws of the State of New York, with an address for the transaction of business located at 1-11 Travis Drive, Binghamton, New York 13904 ("Buckingham") and BUCK EAST LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, with an address for the transaction of business located at 1-11 Travis Drive, Binghamton, New York 13904 ("Buck East") (Buckingham and Buck East are, collectively, the "Company") and the BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public-benefit corporation duly organized and validly existing under the laws of the State of New York, with an office for the transaction of business located at FIVE South College Drive, Suite 201, Binghamton, New York 13905 (the "Agency").

WITNESSETH:

WHEREAS, Title 1 of Article 18-A, as amended, of the General Municipal Law of the State of New York (the "Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York (the "State"); and

WHEREAS, the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, renovate, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties deemed necessary in connection therewith, whether or not now in existence or under construction or renovation, which shall be suitable for manufacturing, warehousing, research, commercial or industrial facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease any or all of its facilities on such terms and conditions as it deems advisable, to issue its bonds for the purpose

of carrying out any of its corporate purposes; and, as security for the payment of the principal and redemption price of, and interest on, any such bonds so issued and any agreements made in connection therewith, to pledge the revenues and receipts from its facilities or from the lease thereof; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, Chapter 564 of the Laws of 1970 of the State (collectively, the "Act") created the Broome County Industrial Development Agency (the "Agency"), which is empowered under the Act to undertake the providing, financing and leasing of the facility described below; and

WHEREAS, the Agency was created as a public benefit corporation pursuant to and for the purposes specified in Title 1 of Article 18-A of the General Municipal Law; and

WHEREAS, the Company has agreed to a lease and lease-back transaction, on the real property, more particularly described on Exhibit "A" attached hereto, to facilitate the renovation and equipping of a manufacturing center and parking lot located at 72 Grossett Drive in the Town of Kirkwood, Broome County, New York (the "Project"), and to lease the Project from the Agency; and

WHEREAS, the Agency will lease the Project from the Company pursuant to a certain lease agreement (the "Lease Agreement,") and the Agency will lease the Project back to the Company pursuant to a certain leaseback agreement (the "Leaseback Agreement") for a term not to exceed twenty (20) years; and

WHEREAS, the Agency is exempt from the payment of taxes and assessments imposed upon real property, and as a further condition related to the leasing of the Project, the Company has agreed that, notwithstanding such exemption, the Company will nevertheless make payments to the Town of Kirkwood (the "Town"), the Windsor Central School District (the "School District") and the County of Broome (the "County") while occupying the Project in lieu of general tax levies.

NOW, THEREFORE, in consideration of the covenants herein contained, it is mutually agreed as follows:

1. Pursuant to Section 874 of the General Municipal Law and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon the acquisition by lease of the Project by the Agency and the filing of an Application for Real Property Tax Exemption Form RP-412-a (the "Exemption Form") with respect to the Project, and for so long thereafter as the Agency has a leasehold interest in the Project, the Project shall be assessed by the various taxing entities having jurisdiction over the Project, including, without limitation, the Town, the School District and the County as exempt on their respective assessment rolls prepared subsequent to the acquisition by the Agency by lease of the Project and the filing of the Exemption Form. The parties hereto understand that the Project shall not be entitled to such exempt status on any tax roll until the first tax year following the tax status date subsequent to the date upon which the Agency acquires a leasehold interest in the Project and an Exemption Form is filed. The Company shall be required to pay all taxes and assessments lawfully levied and/or assessed against the Project, including taxes and assessments levied for the current tax year and all subsequent years until the Project is entitled to exempt status on the tax roll. The Agency will cooperate with the Company to obtain and preserve the tax-exempt status of the Project, including the preparation and filing of the Exemption Form.

2. During each tax year in which the Project shall be tax exempt, the Company agrees to pay to the Town, the School District and the County, the PILOT payments as shown on the PILOT Schedule attached hereto as Exhibit "B."

3. The Town, the County, and the School District shall separately bill the Company for each in-lieu-of payment due hereunder. For the purposes of this Agreement, the term "Timely Payment" shall be defined as payment made within thirty (30) days after receipt by the Company of a written bill demanding payment.

4. Should the Company use the Project for other than a manufacturing center and parking lot or allied purposes such as defined in Article 18-A of the General Municipal Law or acquire title during the term of this Agreement to the leased Project from the Agency, this Agreement shall terminate immediately and the Premises shall be returned to the non-exempt portion of the tax roll and be subject to taxation thereafter, including any portion of a tax year not otherwise covered by this Agreement.

5. If any default shall be made in the payment referred to in Paragraph 2, supra, the Company hereby agrees to pay the same to the extent above specified:

A. Without requiring any notice of non-payment or of default to the Company, the Agency, or to any other person;

B. Without proof of demand.

6. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the General Municipal Law and Section 412-A of the Real Property Tax Law does not entitle the Agency to an exemption from special assessments and special ad valorem levies such as, but without limitation, charges for metered water and sewer rent. The Company hereby agrees to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project.

7. Pursuant to Section 858 (15) of the General Municipal Law, the Agency agrees to give the Town, the School District and the County a copy of this PILOT agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy thereof be given to the appropriate officer or officers with respect to each taxing jurisdiction responsible for preparing the tax rolls for said jurisdiction, together with a request that said officer or officers submit to the Company and the appropriate receiver of taxes periodic statements specifying the amount and due date or dates of the payments due to each hereunder. Such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such

jurisdictions.

8. The Company agrees to pay the amounts due hereunder to each particular taxing jurisdiction in any calendar year to the appropriate receiver of taxes within the period that such taxing entity allows the payment of taxes levied in such calendar year without penalty. The Company shall be entitled to receive receipts for such payments.

9. Pursuant to Section 874(5) of the General Municipal Law, if the Company shall fail to make any payment required by this PILOT Agreement when due, the Company shall pay the same, together with a late-payment penalty equal to five (5%) percent of the amount due. If the Company shall remain in default beyond the first month after such payment is due, the Company shall hereafter pay a late-payment penalty of one (1%) percent per month for each month, or part thereof, that the payment due thereunder is delinquent beyond the first month plus interest thereon, to the extent permitted by law, at the greater of (a) one (1%) percent per month, or (b) the rate per annum which would have been payable if such amount were delinquent taxes, until so paid in full.

10. Pursuant to Section 874(6) of the General Municipal Law, if the Company should default in performing any of its obligations, covenants or agreements under this PILOT Agreement and the Agency or any taxing jurisdiction should employ attorneys or incur other expenses for the collection of any amounts payable hereunder, or for the enforcement or performance or observation of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefore, pay to the Agency or such taxing jurisdiction, as the case may be, not only the amounts adjudicated due hereunder, together with the late-payment penalty and interest due thereon, but also reasonable fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred whether or not an action is commenced.

11. Notwithstanding the foregoing, the Agency reserves the right to terminate,

modify, or recapture any benefits provided to the Company pursuant to this PILOT Agreement, as well as any other benefit provided to the Company, in accordance with the policy of the Agency set forth in Exhibit "C" attached hereto.

12. No remedy herein conferred upon or reserved to the Agency or any taxing jurisdiction is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this PILOT Agreement or now and hereafter existing at law or in equity or by statute. No delay or admission in exercising any such right or power accruing upon a default hereunder shall impair any such right or power or be construed as a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

13. All notices, demands or communications required to be given under this Agreement shall be forwarded simultaneously by certified mail or Federal Express or other similar overnight delivery service, to the respective addresses of the parties hereinafter set forth or to such other place(s) as any of the parties hereto may, from time to time, designate by written notice to the other.

If to the Agency: Broome County Industrial Development Agency
FIVE South College Drive
Suite 201
Binghamton, New York 13905
Attn: Executive Director

Copy to. Joseph B. Meagher, Esq.
Thomas, Collison & Meagher
1201 Monroe Street
P.O. Box 329
Endicott, New York 13761-0329

If to the Company: Buckingham Manufacturing Co., Inc.
1-11 Travis Avenue
Binghamton, New York 13904
Attn: H. Andrew Batty, Jr.

Buck East LLC
1-11 Travis Avenue
Binghamton, New York 13904
Attn: H. Andrew Batty, Jr.

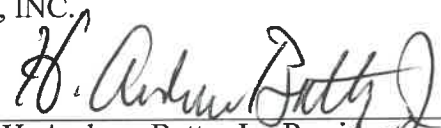
Copy to: Peter Hogan, Esq.
Bond, Shoeneck and King, PLLC
One Lincoln Center
110 West Fayette Street
Syracuse, New York 13202-1355

14. The Town, the County, the School District, the Agency and the Company as used herein shall include their successors and assigns. The terms of this Agreement shall inure to the benefit of, and shall be binding upon, any future owners of the Project and the Company's successors and assigns.


15. This Agreement shall remain in effect until termination or expiration of the Leaseback Agreement from the Agency to the Company which, by its terms, expires March 18, 2039.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed the date set forth hereinabove.

BUCKINGHAM MANUFACTURING
CO., INC.

By: 
H. Andrew Batty, Jr., President

BUCK EAST LLC

By: 
H. Andrew Batty, Jr., Sole Member

BROOME COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Kevin McLaughlin
Executive Director

STATE OF NEW YORK:

: ss.:

COUNTY OF BROOME:

On this 18th day of March, 2019, before me, the undersigned, personally appeared KEVIN McLAUGHLIN, 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

JOSEPH B. MEAGHER
Notary Public, State of New York
Broome County 02ME4974837
Commission Expires Nov. 26, 2022

STATE OF NEW YORK:

: ss.:

COUNTY OF BROOME:

On this 18th day of March, 2019, before me, the undersigned, personally appeared H. ANDREW BATTY, JR., 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

JOSEPH B. MEAGHER
Notary Public, State of New York
Broome County 02ME4974837
Commission Expires Nov. 26, 2022

EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Kirkwood, County of Broome and State of New York bounded and described as follows:

Beginning at a 3/8" rebar in concrete on the existing westerly boundary of Sunset Drive at its intersection with the division line between the property owned or formerly owned by the Broome County Industrial Development Agency on the North, and the property now or formerly owned by New York State Electric and Gas Corporation on the South; running thence westerly along said division line, a distance of 388.92 feet to a 5/8" rebar with cap; thence northerly through the property owned or formerly owned by the Broome County Industrial Development Agency at an interior angle of 90 degrees 00' 00" a distance of 429.64 feet to a 5/8" rebar with cap at its intersection with the existing southerly boundary of Grossett Drive; thence easterly along said boundary the following three (3) courses and distances: (1) on a curve to the left having a radius of 425.50 feet, an arc distance of 29.01 feet to a 5/8" rebar with cap at a point of reverse curvature, said curve being subtended by a chord making an interior angle of 116 degrees 28' 46" with the last course and having a length of 29.00 feet; (2) thence on a curve to the right having a radius of 337.16 feet, an arc distance of 244.42 feet to a 5/8" rebar with cap at a point of tangency, the last mentioned curve being subtended by a chord making an interior angle with the last mentioned chord of 161 degrees 11' 07" and having a length of 239.10 feet; (3) thence at an interior angle of 159 degrees 13' 56" with the chord of the last mentioned curve, a distance of 119.86 feet to a 5/8" rebar with cap at its intersection with the above first mentioned westerly boundary of Sunset Drive; thence southerly along the last mentioned boundary the following three (3) courses and distances; (1) at an interior angle of 108 degrees 24' 34" a distance of 168.56 feet to a 5/8" rebar with cap; (2) thence at an interior angle of 193 degrees 57' 51" a distance of 106.80 feet to a 5/8" rebar with cap; (3) thence at an interior angle of 147 degrees 37' 35" a distance of 183.40 feet to the point or place of beginning. Containing 187,308 square feet or 4.3000 acres, more or less.

The last described course forms an interior angle of 103 degrees 06' 11" with the above first mentioned course.

The above-described parcel of land also being described as follows:

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Kirkwood, County of Broome and State of New York bounded and described as follows:

Beginning at a 5/8" rebar on the southerly boundary of Grossett Drive set 1607' easterly from the centerline intersection of US Route 11 & Grossett Drive;

Thence easterly along said boundary the following three (3) courses and distances: (1) on a curve to the left having a radius of 425.50 feet, an arc distance of 29.01 feet to a point; (2) thence on a

EXHIBIT "A" (Continued)

curve to the right having a radius of 337.16 feet, an arc distance of 243.85 feet to a an iron pin found; (3) thence South 79° 36' 12" East to a 5/8" rebar found, a distance of 119.97 feet;

Thence South 07° 59' 53" East to an iron pin found, a distance of 168.47 feet;

Thence South 22° 27' 19" East to a 1" rebar found, a distance of 107.10 feet;

Thence South 10° 43' 28" West to an iron pin found, a distance of 183.76 feet;

Thence South 87° 21' 19" West to an iron pin found, a distance of 388.80 feet;

Thence North 02° 38' 41" West to the point and place of beginning, a distance of 429.64 feet.

EXHIBIT "B"

(SEE ATTACHED PILOT PAYMENT SCHEDULE)

**BUCKINGHAM MANUFACTURING CO.
PILOT SCHEDULE**

Current Assessment :\$500,000

Current Tax Rate:

Town	1.451901
County	9.72694
School	28.448716
Total	39.627557

New Assessment/Prop Taxes	Annual Abatement	Levy Assessment	Property Taxes	
\$ 725,000.00	\$ 28,730.00	60%	\$ 290,000.00	\$ 11,491.99
\$ 725,000.00	\$ 29,304.60	60%	\$ 290,000.00	\$ 11,721.83
\$ 725,000.00	\$ 29,890.69	60%	\$ 290,000.00	\$ 11,956.27
\$ 725,000.00	\$ 30,488.51	60%	\$ 290,000.00	\$ 12,195.39
\$ 725,000.00	\$ 31,098.28	60%	\$ 290,000.00	\$ 12,439.30
\$ 725,000.00	\$ 31,720.24	45%	\$ 398,000.00	\$ 15,772.00
\$ 725,000.00	\$ 32,354.65	45%	\$ 398,000.00	\$ 16,087.44
\$ 725,000.00	\$ 33,001.74	45%	\$ 398,000.00	\$ 16,409.19
\$ 725,000.00	\$ 33,661.77	45%	\$ 398,000.00	\$ 16,737.37
\$ 725,000.00	\$ 34,335.01	45%	\$ 398,000.00	\$ 17,072.12
\$ 725,000.00	\$ 35,021.71	30%	\$ 507,500.00	\$ 20,111.00
\$ 725,000.00	\$ 35,722.14	30%	\$ 507,500.00	\$ 20,513.22
\$ 725,000.00	\$ 36,436.59	30%	\$ 507,500.00	\$ 20,923.48
\$ 725,000.00	\$ 37,165.32	30%	\$ 507,500.00	\$ 21,341.95
\$ 725,000.00	\$ 37,908.62	30%	\$ 507,500.00	\$ 21,768.79
\$ 725,000.00	\$ 38,666.80	0%	\$ 725,000.00	\$ 28,730.00
\$ 725,000.00	\$ 39,440.13	0%	\$ 725,000.00	\$ 29,304.60
\$ 725,000.00	\$ 40,228.94	0%	\$ 725,000.00	\$ 29,890.69
\$ 725,000.00	\$ 41,033.51	0%	\$ 725,000.00	\$ 30,488.51
\$ 725,000.00	\$ 41,854.18	0%	\$ 725,000.00	\$ 31,098.28
Totals	\$ 698,063.43			\$ 396,053.43

Assumes 2% Increase in Property Taxes Per Year of PILOT

EXHIBIT "C"

(SEE ATTACHED AGENCY POLICY FOR
TERMINATION, MODIFICATION AND/OR RECAPTURE OF AGENCY BENEFITS)

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
POLICY FOR TERMINATION, MODIFICATION
AND/OR RECAPTURE OF AGENCY BENEFITS**

The goal of this Policy is to establish and provide a procedure as required by Section 875 of the New York State General Municipal Law for the termination, modification and/or recapture of Broome County Industrial Development Agency (the “Agency”) benefits provided to an applicant in order to induce such applicant to undertake a project in Broome County. For purposes of this policy, Agency benefits shall include any or all of the following:

- (i) exemptions from New York State and local sales and use tax;
- (ii) an exemption from the New York State mortgage recording tax; and/or
- (iii) an abatement from real property taxes provided through a payment-in-lieu-of-tax (“PILOT”) Agreement.

The Agency reserves the right to terminate, modify, or recapture Agency benefits if :

- (i) an applicant or its sub-agency (if any) authorized to make purchases for the benefit of the project is not entitled to the sales and use tax exemption benefits;
- (ii) sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the applicant or its sub-agents;
- (iii) sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the project;
- (iv) the applicant has made material, false, or misleading statements in its application for financial assistance;
- (v) the applicant has committed a material violation of the terms and conditions of a Project Agreement; and/or
- (vi) there is a material shortfall in job creation and retention projections as set forth in its application.

Upon the occurrence of any of the above conditions, the Agency Board may, upon

recommendation of the Executive Director, terminate, modify and/or recapture the Agency benefits provided to a specific project. Prior to undertaking such action, the Agency shall give written notice of its intention to terminate, modify and/or recapture Agency benefits to the applicant specifying the reasons why the Agency is considering such action. The applicant shall have twenty (20) days to respond to the Agency, either in writing or in person, providing such information and documentation as it deems appropriate for the Board to consider prior to making its decision. All such recaptured Agency benefits shall be redistributed to the appropriately affected taxing jurisdictions unless agreed to otherwise by such jurisdictions.

Notwithstanding the foregoing, the Agency retains the right to terminate Agency benefits as otherwise provided in project transaction documents including, but not limited to, failure of the applicant to make timely PILOT payments, to provide required reports, or to cooperate with Agency personnel in providing data regarding project progress.