

PROJECT AUTHORIZING RESOLUTION
(CWT Farms International, Inc. Project – Project Extension)

A regular meeting of the Jefferson County Industrial Development Agency was convened on Thursday, April 3, 2025 at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 04.03.2025.01

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING (i) AN EXTENSION IN CONNECTION WITH A CERTAIN PROJECT PREVIOUSLY UNDERTAKEN FOR THE BENEFIT OF CWT FARMS INTERNATIONAL, INC. (THE “COMPANY”), AND (ii) THE EXECUTION AND DELIVERY OF AN AMENDMENT TO AGENT AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 369 of the Laws of 1971 of the State of New York, (the “Act”), the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”) was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, pursuant to a certain Project Authorizing Resolution adopted by the Agency on April 7, 2022 (the “Project Authorizing Resolution”), the Agency appointed CWT Farms International, Inc. (the “Company”) as agent to undertake a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in an approximately 6 acres of vacant real property located at 20835 Alexander Drive in the Town of Watertown, New York 13601 (the “Land”, being more particularly described as TMID No 82.00-2-1.5 and Lot 8 in the TIAg Park), (ii) the planning, design, construction, equipping and operation of an approximately 49,000 square foot poultry hatchery facility, including hatching spaces, warehousing, storage, shipping, receiving, office and mechanical spaces, external parking improvements, curbage, landscaping, storm water management and related site improvements (collectively, the “Improvements”), and (iii) the acquisition in and around the Improvements and of certain items of equipment and other tangible personal property and equipment (the “Equipment” and, collectively with the Land and the Improvements, the “Facility”), and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the “Straight Lease Transaction”); and

WHEREAS, in furtherance of the Project, and pursuant to the Project Authorizing Resolution, the Agency and Company undertook the Project and Straight Lease Transaction pursuant to certain Project Agreements, each dated as of August 16, 2022, including (i) a certain Agent and Financial Assistance and Project Agreement (the "Agent Agreement") (ii) a Lease Agreement (the "Lease Agreement") from the Company to the Agency (iii) a Leaseback Agreement by and between the Agency and the Company, (the "Leaseback Agreement"); (iv) a Payment-In-Lieu-of-Tax Agreement by and between the Agency and the Company, (the "PILOT Agreement"); (v) a PILOT Mortgage (the "PILOT Mortgage"); (vi) an Environmental Compliance and Indemnification Agreement from the Company to the Agency (the "Environmental Compliance Agreement"); and (vii) related documents (and collectively, the foregoing being referred to as the "Agency Documents"); and

WHEREAS, the Agent Agreement, as extended, expired as of December 31, 2024, and the Company has advised the Agency that additional time is required to complete the Project, and that the Company requires an increase in sales and use tax exemptions in connection with same; and

WHEREAS, in furtherance of the foregoing, the Agency desires to authorize (i) the extension of the appointment of the Company as agent of the Agency to undertake the Project through October 1, 2025, (ii) the execution and delivery of an amendment to the Agent Agreement; and (iii) the provision of additional the Financial Assistance to the Company in the form of a total of \$420,000 in sales tax exemptions (collectively, the "Extension Request").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Subject to (i) the Company executing an amendment to the Agent Agreement, and (ii) delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, and (iii) payment of all costs and fees of the Agency, the Agency hereby authorizes the Extension Request.

Section 2. Section 3 of the Project Authorizing Resolution is hereby amended to read as follows: Based upon the representation and warranties made by the Company the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately \$5,250,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$420,000.00. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 3. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption

benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) hereby defined as a "Recapture Event").

As a condition precedent of receiving sales and use tax exemption benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 4. The Chairman, Vice Chairman and/or Executive Director (or Deputy Executive Director) of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the amended Agent Agreement, and related documents with such changes as shall be approved by the Chairman, Vice Chairman, the Executive Director and counsel to the Agency upon execution.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately upon adoption.

The question of the adoption of the foregoing resolutions was duly put to vote on roll call, which resulted as follows:

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Robert E. Aliasso, Jr.	X			
David J. Converse	X			
John Condino	X			
William W. Johnson	X			
Lisa L'Huillier	X			
W. Edward Walldroff	X			
Paul J. Warneck	X			

The resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF JEFFERSON) ss:

I, the undersigned W. Edward Walldroff Secretary of the Jefferson County Industrial Development Agency, DO HEREBY CERTIFY:


That I have compared the foregoing extract of the minutes of the meeting of the Jefferson County Industrial Development Agency (the "Agency") including the resolution contained therein, held on April 3, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this 3rd day of April, 2025.


W. Edward Walldroff, Secretary

[SEAL]

