JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

WATERTOWN INDUSTRIAL CENTER LOCAL DEVELOPMENT CORPORATION

AMENDED AND RESTATED PAYMENT IN LIEU OF TAX AGREEMENT

Watertown Industrial Center Local Development Corporation Project
2026 PILOT Extension

Premises:

800 Starbuck Avenue, Watertown, New York
Tax Parcel No. 4-09-102.004

Dated as of March 20, 2026

Affected Tax Jurisdictions:
Jefferson County
City of Watertown
Watertown City School District

AMENDED AND RESTATED PAYMENT IN LIEU OF TAX AGREEMENT

THIS AMENDED AND RESTATED PAYMENT IN LIEU OF TAX AGREEMENT (the "Agreement"), dated as of the 20th day of March, 2026, is by and between the **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at 800 Starbuck Avenue, Suite 800, Watertown, New York 13601 (the "Agency") and **WATERTOWN INDUSTRIAL CENTER LOCAL DEVELOPMENT CORPORATION**, a local development corporation of the State of New York with offices at 800 Starbuck Avenue, Suite 800, Watertown, New York 13601 (the "Company").

W I T N E S S E T H:

WHEREAS, the Agency was created by Chapter 369 of the Laws of 1971 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, in furtherance of a certain project (the "Project", as further defined below"), the Agency and the Company previously entered into a certain Lease Agreement, dated as of September 21, 1995 (the "Lease Agreement", a memorandum of which was recorded in the office of the Jefferson County Clerk on September 25, 1995 in Liber 1475, page 69), such Lease Agreement having been amended pursuant to a certain Amendment to Lease Agreement, dated as of March 31, 2016 (the "First Amendment to Lease", a memorandum of which was recorded in the office of the Jefferson County Clerk on April 4, 2016 as Instrument No. 2016-00004392), with such Lease Agreement, as amended, set to expire as of March 31, 2026; and

WHEREAS, the Agency previously appointed the Company as agent to undertake a certain project (the "Project") consisting of: (i) the acquisition by the Agency of fee title to approximately 36.31 acres of real property located at 800 Starbuck Avenue in the City of Watertown, New York (the "Land", being more particularly described as tax parcel No. 4-09-102.004); along with the existing buildings and improvements located thereon, including Building A (80,000 sf), Building B (31,768 sf), Building C (19,448 sf), Building D (34,470 sf) and Building A/B (2,300 sf), along with related exterior parking, utility, lighting, curbage and other improvements (the "Existing Improvements") (ii) the operation, maintenance and upkeep by the Company as a mixed use and multi-tenanted commercial and light industrial complex; (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Existing 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 leases the Facility to the Company (the "Straight Lease Transaction"); and

WHEREAS, the Agency and Company undertook the Straight Lease Transaction pursuant to the Lease Agreement, as amended, and a certain Payment in Lieu of Taxes

Agreement, dated as of September 1, 1995 (the "PILOT Agreement", also amended as of March 31, 2016), and (iii) related documents (collectively, the "Agency Documents"); and

WHEREAS, in furtherance of the foregoing, the Agency and Company desire to fully amend and restate the PILOT Agreement in accordance with the terms and conditions set forth herein; and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements.

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section 1 – Amendment and Restatement of PILOT Agreement; Prior Exemption Application and Continuation of Exempt Status; Payment in Lieu of Ad Valorem Taxes:

Section 1.1 A. The Agency and Company hereby acknowledge and agree that the PILOT Agreement is hereby amended and restated pursuant to the terms of this Agreement. The parties acknowledge and agree that the Agency has had continuing fee and leasehold interests in Facility without interruption, and that pursuant to the Agency Deed and Lease Agreement, the Agency continues to hold an uninterrupted fee and leasehold interest in the Facility. Subject to the completion and filing by the taxable status date **December 1, 2026** (the "Taxable Status Date") of an Amended New York State Form RP-412-a "Application For Real Property Tax Exemption" (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall continue to be and the 2021 Facility shall be exempt from Real Estate Taxes during the term hereof and the Leaseback Agreement. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the City, County and School. The Company shall provide to the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability

to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B. Payee. As long as the Facility is owned by or leased to the Agency or under its jurisdiction, control or supervision, and the Lease Agreement is in full force and effect, the Company agrees to pay annually to the Agency as a payment in lieu of taxes, on or before **July 1** of each calendar year (collectively, the "Payment Date") an amount equal to the Total PILOT payment, as described on Schedules A, attached hereto.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder (if any) within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County and City purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For School District purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the budget and/or school year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment. The Agency shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased PILOT payment until a different Total PILOT Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding PILOT payment(s).

1.5 Period of Benefits. With respect to the Facility, the current and prospective tax benefits provided for herein should be deemed to include (i) the remainder of the 2025-2026 City and School tax years through the 2034-2035 City and School tax years, and (ii) the 2026 County tax year through the 2035 County tax year. As reflected in Schedule A hereto, the real property tax abatements associated with the Facility shall expire on **December 31, 2035**, and the Company shall pay full tax equivalents for same starting with the 2035-2036 City and School fiscal years and the 2036 County fiscal year. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section 2 - Special District Charges, Special Assessments and other Charges. Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

Section 3 - Transfer of the Facility. In the event that the Facility is transferred from the Agency to the Company (the Lease Agreement is terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, the provisions of Section 520 of the Real Property Tax Law shall apply, with the Facility becoming fully taxable as of the date of such termination. The Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section 4 - Assessment Challenges.

4.1 The Company shall 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 with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall 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 tax equivalent provided for herein.

4.2 Subject to the restrictions associated with Section 4.1, above, the Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the

Company is obligated to make a payment pursuant to this Agreement as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section 5 - Changes in Law. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

Section 6 - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I on or before the Payment Date (the "Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 7.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section 7 - Assignment. No portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld or delayed.

Section 8 - Miscellaneous.

8.1 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Jefferson County Industrial Development Agency
800 Starbuck Avenue, Suite 800
Watertown, New York 13601
Attn: Chief Executive Officer

And to: Harris Beach Murtha Cullina PLLC
677 Broadway, Suite 1101
Albany, New York 12207
Attn: Justin S. Miller, Esq.

To the Company: Watertown Industrial Center Local Development Corporation
800 Starbuck Avenue, Suite 800
Watertown, New York 13601
Attn: Chief Executive Officer

With a Copy to: Kendall, Harrienger & Burrows
120 Washington Street, Suite 500A
Watertown, New York 13601
Attn: Kathryn J. Harrienger, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8.3 This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Jefferson County, New York.

8.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and

other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

[Signature page to Amended and Restated PILOT Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: [redacted]
Name: Marshall Weir
Title: Chief Executive Officer

WATERTOWN INDUSTRIAL CENTER LOCAL DEVELOPMENT CORPORATION

By: [redacted]
Name: Michelle Capone
Title: President

SCHEDULE A

The "Total PILOT Payment" payable under this PILOT Agreement shall be calculated in accordance with the following:

2. Commencing on the Commencement Date and for the period set forth below, or until the earlier termination of the Lease Agreement as amended, the WICLDC agrees to pay in lieu of all real estate taxes which would be levied upon the Facility during such tax years as if the Facility were owned by the WICLDC and not by the Agency, the amounts determined according to the following formula:

PILOT = EA x ATR

WHERE

PILOT = Amount of payment in lieu of taxes due to the Taxing Jurisdictions for the applicable tax year.

EA = Effective Assessment is the sum of the values of the three Component Building Uses minus the value attributed to the unoccupied portions.

ATR = Actual Tax Rate for the respective Taxing Jurisdictions for the applicable year.

Component Building Uses = Office Space, Flex Space and Subpar

Office Space = Areas with a higher level of finish or used as an office open to the public. This will not include offices ancillary to Flex Space that is not separately leasable and whose area is less than 10% of the parent Flex Space.

Flex Space = Areas in a condition and configuration making them usable with minimal or no improvement. All space determined not to be Office Space or Subpar will be considered Flex Space.

Subpar = Areas that require major improvement and/or reconfiguration to be leasable. Space that is actively used with plans for imminent major improvement or replacement may be considered Subpar.

The per square foot value for each Component Building Use, is calculated using the average value of all the space comprising said component, and is subject to change each

year based upon major construction/demolitions, market changes and changes to the City's level of assessment.

The component values and the area breakdown for the 2016 tax roll year are as follows:

Component	Office Space	Flex Space	Subpar
Value per Square Foot	$25.45	$7.28	$3.05
Square feet	20,926	85,727	71,279

which results in a Total Assessment of $1,374,060.21 for 2016, which then must be reduced by the occupancy rate to result in the Effective Assessment.

Changes to the classification of spaces are at the discretion of the City Assessor in consultation with a representative of the WICLDC.

The WICLDC retains all rights to grieve assessments as afforded by the Real Property Tax Law.

The WICLDC agrees to notify the City Assessor of any construction/demolition, change of use and the level of occupancy as of each December 1st on or before December 15th.