

## FIRST AMENDMENT TO PAYMENT IN LIEU OF TAXATION AGREEMENT

*THIS FIRST AMENDMENT TO PAYMENT IN LIEU OF TAXATION AGREEMENT* ("First Amendment"), effective as of June 8, 2020 which amends that certain Payment in Lieu of Taxation Agreement, made as of 1<sup>st</sup> day of December, 2016 ("PILOT Agreement") by and among the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having its principal offices at 548 Broadway, Monticello, New York 12701 ("Agency"), RJ BAKER CORP., a New York corporation ("RBC") and BEAVERKILL STUDIO, INC., a New York corporation, both having their principal offices located at 36 Main Street, PO Box 595, Parksville, New York 12768 ("BSI" and together with RBC collectively, the "Company").

Unless otherwise defined herein, all capitalized terms shall have the meaning given them in the PILOT Agreement.

### RECITALS

*WHEREAS*, Title 1 of Article 18-A of the General Municipal Law of the State of New York ("Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York ("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, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve its standard of living; and

*WHEREAS*, the Enabling Act further authorizes each such agency to lease any or all of its facilities at such rentals and on such other terms and conditions as it deems advisable; and

*WHEREAS*, pursuant to and in connection with the provisions of the Enabling Act, Chapter 560 of the Laws of 1970 of the State (collectively referred to as the "Act") created the Agency which is empowered under the Act to undertake the providing, financing and leasing of the facility described below; and

*WHEREAS*, on or about December 1, 2016, the Agency closed a lease/leaseback transaction with the Company consisting of the: (i) the construction, reconstruction, renovation, installing and equipping of a former restaurant and hardware store into a film studio and catering facility ("Building") situate on two (2) parcels of real estate consisting of approximately .48± acres located at 36/38 Main Street, Parksville, Town of Liberty, County of Sullivan, State of New York and identified on the Town of Liberty tax map as Section 7, Block 8, Lots 7 and 8 ("Land"); (ii)

the construction and equipping of the Building; (iii) the acquisition and installation thereon and therein certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iv) the construction of improvements to the Building, the Land and the Equipment (collectively the Building, the Land and the Equipment are referred to as the "Facility" or the "Project"); and (v) lease of the Facility from the Agency to the Company; and

*WHEREAS*, by resolution, dated June 8, 2020, the Agency authorized establishment of an escrow account to be funded by monthly deposits to secure future PILOT payments subject to the Company and Agency entering into this First Amendment.

*NOW THEREFORE*, in consideration of the foregoing recitals and the mutual terms, conditions, limitations and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed as follows:

1. Escrow Account. Section 3, Employment Obligations, shall be amended to add a new subsection (e) to read as follows:

“(e) The Company shall deposit with the Agency funds to secure the payment of future PILOT Payments. The funds so deposited shall be held by the Agency in a separate account (“Escrow Account”). The Company shall make monthly deposits in the Escrow Account so that on or before the ensuing February 1<sup>st</sup>, the Escrow Account shall be funded by an amount that is not less than one hundred ten (110%) percent of the immediately preceding year’s PILOT Payment.”

2. Integration. Except as herein amended, all other terms and conditions of the PILOT Agreement shall remain in full force and effect. If there shall be any conflict or inconsistency between the terms of this First Amendment and the PILOT Agreement, the terms of this First Amendment shall control.


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*IN WITNESS WHEREOF*, the parties hereto have executed this First Amendment effective as of the date hereof.

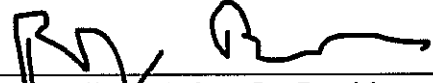
COUNTY OF SULLIVAN INDUSTRIAL  
DEVELOPMENT AGENCY

  
By: Edward T. Sykes, Executive Director

RJ BAKER CORP.

  
By: Russell Jay Baker, Jr., President

BEAVERKILL STUDIO INC.

  
By: Russell Jay Baker, Jr., President