

FIRST AMENDMENT TO
PAYMENT IN LIEU OF TAXATION AGREEMENT

THIS FIRST AMENDMENT TO PAYMENT IN LIEU OF TAXATION AGREEMENT ("Amendment"), effective as of the 1st day of January, 2024 amends that certain Payment In Lieu of Taxation Agreement, made as of April 1, 2012 ("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"), THEOWINS, LLC, a New York limited liability company, having its principal offices located at 672 Old Route 17, Livingston Manor, New York 12758 ("Theowins"), CATSKILL BREWERY, LLC, a New York limited liability company, having its principal offices located at 672 Old Route 17, Livingston Manor, New York 12758 ("Catskill") and GLOBAL NATURAL FOODS, INC., a New York corporation, having its principal offices located at 190 Mary Smith Hill Road, Livingston Manor, New York 12758 ("Global" together with Theowins and Catskill, collectively, the "Company").

Unless otherwise defined herein, all capitalized terms shall have the meaning given them in the 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, the Company presented an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project ("Project") consisting of the (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of a building to consist of approximately 5,250± square feet (which includes approximately 3,500± square feet of brewery space and approximately 1,750± square feet of office space) ("Building") situate on one (1) parcel of real estate consisting of .61 acres to be located at 672 Old Route 17 in the Town of Rockland ("Town"), County of Sullivan ("County") and State and identified on the tax map as Town Section 39, Block 2, Lot 10 ("Land") and related facilities to be owned by the Agency; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) 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 (iv) lease of the Facility to the Company; and

WHEREAS, in order to induce the Company to develop the Facility, the Agency is willing to take title to the land, improvements and personal property constituting the Facility and lease said land, improvements and personal property back to the Company pursuant to the terms and conditions of that certain Lease Agreement of even date herewith between the Company and the Agency ("Lease Agreement"); 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; and

WHEREAS, the Agency and the Company deemed it necessary and proper to execute and deliver to the Agency the Agreement making provision for payments in lieu of taxes by the Company for the benefit of the County, Town and the Livingston Manor Central School District ("School" and together with the County and the Town, the "Taxing Jurisdictions"); and

WHEREAS, all agreements of the Agency and the Company relating to payments in lieu of taxes for Year 11 (PILOT Payment due date February 1, 2024) and thereafter shall be governed by this 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. ¶3(b) of the Agreement is hereby deleted in its entirety and the following inserted in its place and stead:

“(b) Calculation of Annual PILOT Payment. The calculation of the annual PILOT Payments for Years 1 to 10 shall be made as follows:

- (i) The TVSP set forth in ¶3(a) for Years 1 to 10 shall be multiplied by the equalization rate as defined in ¶3(c) hereof; and
- (ii) The annual PILOT Payment shall be determined by multiplying the amount derived in ¶3(b)(i) hereof by the tax rates identified in ¶3(d) hereof.

The calculation of the annual PILOT Payments for Years 11 to 20 shall be made by multiplying the TVSP set forth in ¶3(a) for Years 11 to 20 by the tax rates identified in ¶3(d) hereof.”

2. The Notice addresses set forth in ¶21(a) of the Agreement are hereby amended as follows:

“If to the Agency:

County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701
Attn: Executive Director

with a copy to:

WALTER F. GARIGLIANO P.C.
449 Broadway
Monticello, New York 12701-1069
Attn: Agency Counsel

To the Company:

Theowins, LLC
P.O. Box 276
Livingston Manor, New York 12758

Catskill Brewery, LLC
P.O. Box 276
Livingston Manor, New York 12758

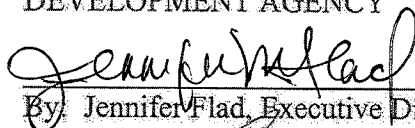
Global Natural Foods, Inc.
190 Mary Smith Hill Road
Livingston Manor, New York 12758”

3. Expenses. All fees and costs related to this Amendment shall be paid by the Company.

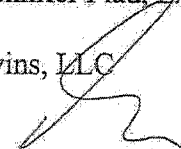
4. Integration. Except as herein amended, all other terms and conditions of the Agreement shall remain in full force and effect. If there shall be any conflict or inconsistency between the terms of this Amendment or the Agreement, the terms of this Amendment shall control.

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

COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY


By: Jennifer Flad, Executive Director

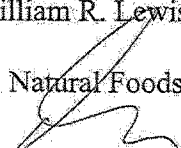
Theowins, LLC


By: William R. Lewis, Chief Executive Officer

Catskill Brewery, LLC


By: William R. Lewis, President

Global Natural Foods, Inc.


By: William R. Lewis, President