ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

ICM CONTROLS CORP.

AMENDMENT TO
PAYMENT IN LIEU OF TAX AGREEMENT

DATED AS OF JUNE 1, 2022

AMENDMENT TO PAYMENT IN LIEU OF TAX AGREEMENT

THIS AMENDMENT TO PAYMENT IN LIEU OF TAX AGREEMENT (the "Amendment") dated as of June 1, 2022 by and between the ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (hereinafter referred to as the "Agency"), having an office for the transaction of business located at 333 West Washington Street, Suite 130, Syracuse, New York 13202, and ICM CONTROLS CORP., a Delaware corporation organized and existing under the laws of the State of Delaware, and authorized to do business in the State of New York, having an office for the transaction of business located at 7313 William Barry Boulevard, North Syracuse, New York 13212 (the "Company").

W I T N E S S E T H :

WHEREAS, Title 1 of Article 18-A 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; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of 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 purposes, in order to advance the job opportunities, health, general prosperity and 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, for the purpose of carrying out any of its corporate purposes, to lease or sell any or all of its facilities; whether then owned or thereafter acquired; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 435 of the Laws of 1970 of the State and Chapter 676 of the Laws of 1975 of the State, as amended (collectively, with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, on November 9, 2004, the members of the board of the Agency adopted a resolution whereby the Agency agreed, subject to numerous conditions, to undertake a project (the "Series 2004 Project") consisting of the following: (A)(1) the acquisition of an interest in certain parcels of land located on William Barry Boulevard in the Town of Cicero, Onondaga County, New York (the "Land"); (2) the construction of an approximately 90,000 square foot corporate headquarters and manufacturing facility on the Land (the "Series 2004 Facility"); and (3) the acquisition and installation in the Series 2004 Facility of certain machinery and equipment (the "Series 2004 Equipment" and, together with the Land and the Series 2004 Facility, the "Series 2004 Project Facility"), (B) the financing of all or a portion of the foregoing by the issuance of tax-exempt or taxable revenue bonds of the Agency in an aggregate principal amount sufficient to pay the cost of undertaking the Series 2004 Project, together with necessary incidental costs in connection therewith; (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales taxes, real estate transfer taxes, transfer gains taxes, mortgage recording taxes and real property taxes (collectively with the bonds, the "Series 2004 Financial Assistance"); and (D) the sale of the Agency's interest in the Series 2004 Project Facility (as hereinafter defined) to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to a trust indenture dated as of December 1, 2004, the Agency issued its Variable Rate Demand Industrial Development Revenue Bonds (ICM Controls Corp. Project), Series 2004 in an aggregate principal amount of $6,360,000 (the "Series 2004 Bonds") for the purpose of financing costs of the Series 2004 Project; and

WHEREAS, in connection with the issuance of the Series 2004 Bonds, the Agency (A) acquired from the Company fee title to the Land pursuant to a deed dated December 23, 2004 (the "Deed to Agency") from the Company to the Agency; (B) acquired from the Company all right, title and interest of the Company in the Series 2004 Equipment pursuant to a bill of sale dated as of December 1, 2004 (the "Series 2004 Bill of Sale to Agency") from the Company, as grantor, to the Agency, as grantee; and (C) permitted the Company to acquire, construct, install, complete and use the Series 2004 Project Facility pursuant to an installment sale agreement dated as of December 1, 2004 (the "2004 Installment Sale Agreement") by and between the Agency and the Company; and

WHEREAS, on December 13, 2007 the members of the Agency adopted a resolution whereby the Agency agreed, subject to numerous conditions, to undertake a project (the "Series 2007 Project" and, together with the Series 2004 Project, the "Project") consisting of the following: (A)(1) the construction on the Land of an approximately 90,000 square foot corporate headquarters and manufacturing facility (the "Series 2007 Facility" and together with the Series 2004 Facility, the "Facility"); and (2) the acquisition and installation in the Series 2007 Facility of certain machinery and equipment (the "Series 2007 Equipment" and, together with the Land and the Series 2007 Facility being collectively referred to as the "Series 2007 Project Facility" and together with the Series 2004 Project Facility, the "Project Facility"); (B) the financing of a portion of the foregoing by the issuance of tax-exempt or taxable revenue bonds of the Agency in an aggregate principal amount sufficient to pay the cost of undertaking the Series 2007 Project, together with necessary incidental costs in connection therewith; and (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemption from sales taxes, real estate transfer taxes, real property taxes and mortgage recording taxes (collectively with the bonds, the "Series 2007 Financial Assistance" and together with the Series 2004 Financial Assistance, the "Financial Assistance"); and

WHEREAS, pursuant to a trust indenture dated as of December 1, 2007, the Agency issued its Variable Rate Demand Industrial Development Revenue Bonds (ICM Controls Corp. Project), Series 2007 in an aggregate principal amount of $2,500,000 (the "Series 2007 Bonds") for the purpose of financing costs of the Project; and

WHEREAS, in connection with the issuance of the Series 2007 Bonds the Agency entered into an amendment and modification of installment sale agreement (the "Amendment to the Installment Sale Agreement" and, collectively with the 2004 Installment Sale Agreement, the "Installment Sale Agreement") dated as of December 1, 2007 by and between the Agency and the Company, which amended and modified certain terms of the 2004 Installment Sale Agreement and certain other documents related thereto; and

WHEREAS, pursuant Section 6.7 of the Installment Sale Agreement, the Company and the Agency entered into a certain payment in lieu of tax agreement dated as of January 1, 2009 (the "Current PILOT Agreement") in which the Company agreed to make payments in lieu of taxes with respect to the Project Facility in the amounts and in the manner provided therein; and

WHEREAS, at the request and direction of the Company, the Agency has given notice to the trustee for the Series 2004 Bonds and to the trustee for the Series 2007 Bonds that the Agency will redeem the Series 2004 Bonds and the Series 2007 Bonds on June 1, 2022 (the "Redemption"); and

WHEREAS, in connection with the Redemption, the Company and the Agency will terminate the Installment Sale Agreement; and

WHEREAS, pursuant to a resolution duly adopted by the Agency on May 10, 2022, the Agency authorized the execution and delivery of documentation to effectuate the replacement of the Installment Sale Agreement in order to keep the Current PILOT Agreement in place; and

WHEREAS, no additional benefits were granted; and

WHEREAS, the Agency and the Company have agreed to enter into a lease agreement dated as of June 1, 2022 with respect to the Project Facility (the "Lease Agreement"), which will replace the Installment Sale Agreement and pursuant to which the Agency will continue to permit the Company to use the Project Facility; and

WHEREAS, the Agency and the Company desire to amend the Current PILOT Agreement as hereinafter set forth; and

WHEREAS, all things necessary to constitute this Amendment a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Amendment have in all respects been duly authorized by the Agency and the Company.

NOW, THEREFORE, in consideration of the matters above recited, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto formally covenant, agree and bind themselves as follows to wit:

1. All references to the "Installment Sale Agreement" in the Current PILOT Agreement are hereby deleted and replaced with the "Lease Agreement".

2. Section 5.5(c) of the Current PILOT Agreement is hereby deleted and replaced in its entirety with the following:

> (C) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:
>
> IF TO THE COMPANY:
>
> ICM Controls Corp.
> P.O. Box 2819
> Syracuse, New York 13220
> Attention: President
>
> WITH A COPY TO:
>
> Lippes Mathias LLP
> 50 Fountain Plaza, Suite 1700
> Buffalo, New York 14202 2216
> Attention: Brian J. Bocketti, Esq.
>
> IF TO THE AGENCY:
>
> Onondaga County Industrial Development Agency
> 333 West Washington Street, Suite 130
> Syracuse, New York 13202
> Attention: Executive Director
>
> WITH A COPY TO:
>
> Barclay Damon LLP
> Barclay Damon Tower
> 125 East Jefferson Street
> Syracuse, New York 13202
> Attention: Jeffrey W. Davis, Esq.

3. Except as expressly set forth herein, capitalized terms in this Amendment shall have the same definitions ascribed to them in the Current PILOT Agreement.

4. This Amendment shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Amendment are intended to be for the benefit of the Agency and the respective Taxing Entities.

5. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

6. Except as expressly set forth herein, the Current PILOT Agreement has not been heretofore amended. The Agency and the Company hereby ratify and affirm all provisions of the Current PILOT Agreement, subject to the amendments expressly set forth in this Amendment.

7. This Amendment becomes effective on the date first above written ("Effective Date").

IN WITNESS WHEREOF, the Agency, the Company has caused this Amendment to be executed in its respective names, by its duly authorized representatives, as of the date first above written.

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: ______________________

Robert M. Petrovich
Executive Director

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 2nd day of June in the year 2022 before me, the undersigned, a notary public in and for the State of New York, personally appeared Robert M. Petrovich, 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

Karen Doster
STATE OF NEW YORK
NOTARY PUBLIC
Qualified in Onondaga County
01DO6404890
MY COMMISSION EXPIRES 03/02/2024

ICM CONTROLS CORP.

By: ____________________
Joseph Bonacci
Chief Executive Officer

STATE OF NEW YORK)
) SS.:
COUNTY OF Onondaga)

On the 1st day of June in the year 2022 before me, the undersigned, a notary public in and for the State of New York, personally appeared Joseph Bonacci, 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

LESLIE A. TREAT
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01TR6416471
Qualified In Cayuga County
Commission Expires April 19, 2025