

**GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER**

**AND**

**YANCEY'S FANCY, INC.**

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**FIRST AMENDMENT TO  
TAX AGREEMENT**

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**Tax Map No.**  
19-1-73.12

**Affected Taxing Jurisdictions:**

County of Genesee  
Town of Pembroke  
Pembroke Central School District

**Dated as of April 1, 2020**

## FIRST AMENDMENT TO TAX AGREEMENT

THIS FIRST AMENDMENT TO TAX AGREEMENT, dated as of April 1, 2020 (the "First Amendment"), is by and between **GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY d/b/a GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER**, a public benefit corporation duly existing under the laws of the State of New York, with offices at 99 MedTech Drive, Suite 106, Batavia, New York 14020 (the "Agency"), and **YANCEY'S FANCY, INC.**, a corporation duly organized and validly existing under the laws of the State of New York, with offices at 857 Main Road, Corfu, New York 14038 (the "Company").

## WITNESSETH:

WHEREAS, the Agency and the Company previously executed a certain lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement") and payment-in-lieu-of-tax agreement (the "Tax Agreement") each dated as of March 1, 2014, in connection with a certain project (the "2014 Project"), undertaken by the Agency for the benefit of the Company consisting of: (i) the acquisition or retention by the Agency of a leasehold interest or other interest in all or a portion of approximately 10 acres of land at the Buffalo East Technology Park South campus (being more particularly described as tax map number 19-1-73.1) located at the intersection of NYS Routes 5 and 77 in the Town of Pembroke, Genesee County, New York (the "Buffalo East Technology Park Land"), (ii) the construction and equipping on the Buffalo East Technology Park Land of an approximately 112,000 square-foot building over multiple phases for use as a specialty cheese production/manufacturing facility, office space and related improvements and infrastructure (the "Buffalo East Technology Park Improvements"), (iii) the acquisition in and around the Buffalo East Technology Park Land and the Buffalo East Technology Park Improvements of certain items of equipment and other tangible personal property (the "Buffalo East Technology Park Equipment"; and, collectively with the Buffalo East Technology Park Land and the Buffalo East Technology Park Improvements, the "Buffalo East Technology Park Facility"), (iv) the acquisition or retention by the Agency of a leasehold interest or other interest in certain land located at the Company's main artisan cheese operations facility and retail store at 857 Main Road, in the Town of Pembroke, Genesee County, New York (the "857 Main Road Land"), (v) the construction and equipping on the 857 Main Road Land of an approximately 3,500 square-foot reverse osmosis system (the "857 Main Road Land Improvements"); and (v) the acquisition in and around the 857 Main Road Land and the 857 Main Road Improvements of certain items of equipment and other tangible personal property (the "857 Main Road Equipment"; and, collectively with the 857 Main Road Land and the 857 Main Road Improvements, the "857 Main Road Facility"); and

WHEREAS, pursuant to the terms of the Tax Agreement, the Company has agreed to make payments-in-lieu-of-taxes for the benefit of Genesee County (the "County"), the Town of Pembroke (the "Town") and the Pembroke Central School District (the "School"; and, collectively with the County and the Town, the "Affected Tax Jurisdictions"), as more fully set forth on Schedule A-1 (the "Buffalo East Technology Park PILOT Schedule"); and

WHEREAS, the Agency and the Company now desire to amend the Tax Agreement to extend the term of the Buffalo East Technology Park PILOT Schedule for ten (10) additional years, during which the Company will pay full ad valorem taxes on the Buffalo East Technology Park Facility.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Section 1.5 of the Tax Agreement is hereby deleted in its entirety and replaced with the following:

1.5 Period of Benefits. The tax benefits provided herein should be deemed to include (i) the 2015/2016 School tax year through the 2034/2035 School tax year and (ii) the 2016 County and Town tax years through the 2035 County and Town tax years. This Tax Agreement **shall expire on December 31, 2035**; *provided, however*, the Company shall pay (i) 2035/2036 School tax bill and (ii) the 2036 County and Town tax bills on the dates and in the amounts as if they Agency were not in title on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Buffalo East Technology Park Facility for more than the period provided for herein, unless the period is extended by amendment to this Tax Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Buffalo East Technology Park Facility which could provide benefits for more than the period 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.

2. Schedule A-1 of the Tax Agreement is deleted in its entirety and replaced with the revised Schedule A-1 set forth in Exhibit A attached hereto.

3. Except as modified in Sections 1 and 2 above, all of the terms, provisions and covenants of the Tax Agreement are in all other respects hereby ratified and confirmed by the Company and the Agency and shall remain in full force and effect.

4. Upon the effectiveness of this First Amendment, on and after the date hereof, each reference in the Tax Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import, and each reference in the Agent Agreement, the Leaseback Agreement and any related documents to the Tax Agreement, shall mean and be a reference to the Tax Agreement as amended hereby.

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

*[Remainder of Page Intentionally Left Blank]*

[Signature Page to First Amendment to Tax Agreement]

IN WITNESS WHEREOF, the Agency and the Company have caused this First Amendment to Tax Agreement to be executed in their respective names, all as of the date first written.

**GENESEE COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY d/b/a GENESEE  
COUNTY ECONOMIC DEVELOPMENT  
CENTER**

By: \_\_\_\_\_

Name: Mark Massc

Title: Senior Vice President of Operations

**YANCEY'S FANCY, INC.**

By: \_\_\_\_\_

Name: Brian Bailey

Title: President and CEO

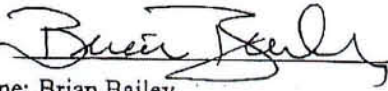
[Signature Page to First Amendment to Tax Agreement]

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**GENESEE COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY d/b/a GENESEE  
COUNTY ECONOMIC DEVELOPMENT  
CENTER**

By: \_\_\_\_\_  
Name: Mark Masse  
Title: Senior Vice President of Operations

**YANCEY'S FANCY, INC.**

By:  \_\_\_\_\_  
Name: Brian Bailey  
Title: President and CEO

**Schedule A-1**

**FIRST AMENDMENT TO TAX AGREEMENT DATED AS OF APRIL 1, 2020  
BY AND BETWEEN THE  
GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A  
GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER AND YANCEY'S  
FANCY, INC.**

With respect to the Buffalo East Technology Park Land and the Buffalo East Technology Park Improvements (together, the “Buffalo East Technology Park Facility”)

<u>Tax Year</u>	<u>County and Town Tax Year</u>	<u>School Tax Year</u>	<u>Total Taxable Valuation</u>
Year 1	2016	2015/2016	Tax on Total Taxable Valuation x 0%
Year 2	2017	2016/2017	Tax on Total Taxable Valuation x 0%
Year 3	2018	2017/2018	Tax on Total Taxable Valuation x 20%
Year 4	2019	2018/2019	Tax on Total Taxable Valuation x 20%
Year 5	2020	2019/2020	Tax on Total Taxable Valuation x 40%
Year 6	2021	2020/2021	Tax on Total Taxable Valuation x 40%
Year 7	2022	2021/2022	Tax on Total Taxable Valuation x 60%
Year 8	2023	2022/2023	Tax on Total Taxable Valuation x 60%
Year 9	2024	2023/2024	Tax on Total Taxable Valuation x 80%
Year 10	2025	2024/2025	Tax on Total Taxable Valuation x 80%
Year 11	2026	2025/2026	Tax on Total Taxable Valuation x 100%
Year 12	2027	2026/2027	Tax on Total Taxable Valuation x 100%
Year 13	2028	2027/2028	Tax on Total Taxable Valuation x 100%
Year 14	2029	2028/2029	Tax on Total Taxable Valuation x 100%
Year 15	2030	2029/2030	Tax on Total Taxable Valuation x 100%
Year 16	2031	2030/2031	Tax on Total Taxable Valuation x 100%
Year 17	2032	2031/2032	Tax on Total Taxable Valuation x 100%
Year 18	2033	2032/2033	Tax on Total Taxable Valuation x 100%
Year 19	2034	2033/2034	Tax on Total Taxable Valuation x 100%
Year 20	2035	2034/2035	Tax on Total Taxable Valuation x 100%

Once the Total Taxable Valuation of the Buffalo East Technology Park Facility is established, the Total Tax Payment for the Buffalo East Technology Park Facility shall be determined by multiplying the Total Taxable Valuation of the Buffalo East Technology Park Facility by the respective tax rate for each Affected Tax Jurisdiction (after application of any applicable equalization rate) multiplied by one minus an abatement rate of (i) one-hundred percent (100%) for Tax Year 1 through and including Tax Year 2, (ii) eighty percent (80%) for Tax Year 3 through and including Tax Year 4, (iii) sixty percent (60%) for Tax Year 5 through and including Tax Year 6, (iv) forty percent (40%) for Tax Year 7 through and including Tax Year 8, (v) twenty percent (20%) for Tax Year 9 through and including Tax Year 10, and (vi) zero percent (0%) for Tax Year 11 through and including Tax Year 20.

CORRECT/FINAL

Total Tax Payment = Total Taxable Valuation of the Facility (after equalization) x Tax Rate x (1 – Abatement Rate)

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