PROJECT AGREEMENT

by and between

APAP LAND MANAGEMENT LLC
a New York limited liability company
(the "Company")

and

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY
a body corporate and politic and a public benefit corporation of the State of New York
(the "Agency")

Dated as of August 13, 2026

RELATING TO THE FOLLOWING PROJECT
Apap Land Management LLC Project

Affecting the Premises in the Town of Southeast, Putnam County, State of New York
located at 1912 Route 22, Brewster, NY 10509

Tax Lot Description
Section 35 Block 2 Lot 6

PROJECT AGREEMENT

THIS PROJECT AGREEMENT (hereinafter, the "Project Agreement"), is made and entered into as of the 13 day of August, 2026, by and between the **PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation duly organized and existing under the laws of the State of New York, with offices at 2 Route 164, Patterson, New York 12563 (the "Agency"), and **APAP LAND MANAGEMENT LLC**, a New York limited liability company organized and validly existing under the laws of the State of New York with offices at 1278 Route 311, Patterson, New York 12563 (the "Company").

RECITALS

WHEREAS the New York State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law of the State of New York, as amended (the "Enabling Act"), authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York and empowers such agencies to promote, develop, encourage and assist to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish industrial, manufacturing, warehousing, commercial, research, renewable energy and recreation facilities, whether or not now in existence or under construction, which shall be suitable for one or more projects for the purpose of advancing the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the Agency was established by Chapter 399 of the 1987 Laws of New York as amended (together with the Enabling Act, the "Act"), for the benefit of Putnam County, New York (the "County") and the inhabitants thereof; and

WHEREAS the Company submitted an application dated March 3, 2026 to the Agency requesting the Agency's financial assistance in connection with a project consisting of the acquisition, construction, renovation, furnishing and equipping of a facility located on an approximately 1.71+/- acre parcel of land at 1912 Route 22, in the Town of Southeast, County of Putnam, State of New York, for a shop/warehouse and office for lease to the Agency by the Company and for sublease by the Agency to the Company, having an approximate total project cost of $3,510,000 (the **Project**); and

WHEREAS the Company has represented that Agency financial assistance is needed for the Company to move forward with the Project in Putnam County and New York State and that, but for the requested financial assistance, the Project is not financially feasible; and

WHEREAS to facilitate the Project, the Agency and the Company have agreed to enter into a straight-lease transaction within the meaning of the Act pursuant to which: (a) the Company will lease the Facility Realty to the Agency pursuant to a Company Lease; (b) the Agency will sublease the Facility Realty and lease the Facility Personalty to the Company pursuant to a Lease Agreement; and (c) the Agency will appoint the Company as agent of the Agency for purposes of developing, acquiring, constructing, renovating, equipping and installing the Project; and

WHEREAS the Agency adopted an Inducement Resolution on March 24, 2026 and an Authorizing Resolution on May 19, 2026 approving the straight-lease transaction for the Project and authorizing the execution and delivery of this Agreement and the other Project Documents; and

WHEREAS the Planning Board of the Town of Southeast, as lead agency under the State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and 6 N.Y.C.R.R. Part 617 (SEQRA), determined that the Project is an Unlisted Action and adopted a Negative Declaration on November 24, 2025; and

WHEREAS the Agency published notice of a public hearing in The Journal News on April 8, 2026, and held a public hearing on April 22, 2026 at 11:00 a.m. at the Town of Southeast Town Hall, 1360 Route 22, Brewster, New York 10509. The Agency did not receive any comments about the Project; and

WHEREAS pursuant to and in accordance with Sections 859-a, 874 and 875 of the Act, the Agency requires, as a condition and inducement for providing any Financial Assistance, that the Company enter into this Project Agreement to govern the administration of and provide assurances with respect to the provision, reporting, termination and recapture of Financial Assistance; and

WHEREAS no agency appointment of the Company or any Subagent and no Financial Assistance shall be provided by the Agency prior to the effective date of this Project Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

SECTION 1. Definitions

For purposes of this Agreement, the following terms have the meanings set forth below:

Act means Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, Section 925-l of the General Municipal Law of the State of New York, as amended, and any applicable provisions of the New York Tax Law relating to the Financial Assistance.

Agency means the Putnam County Industrial Development Agency and its successors and assigns.

Agency Benefits means any Financial Assistance and any other direct monetary benefit, tax exemption, tax abatement or other benefit derived solely from the Agency's participation in the Project.

Agreement means this Project Agreement, as amended or supplemented from time to time.

Application means the Company's application to the Agency dated March 3, 2026, together with all supplements, exhibits and supporting materials submitted in connection with the Project.

Authorized Representative means, with respect to the Agency, the Chair, Vice Chair, Executive Director or any other officer or representative authorized to act on behalf of the Agency; and, with respect to the Company, George Apap, Sole Member/Manager, President, or any other officer, member, manager or representative authorized to act on behalf of the Company.

Company means APAP Land Management LLC and its permitted successors and assigns.

Company Lease means the lease agreement pursuant to which the Company leases the Facility Realty to the Agency in connection with the straight-lease transaction.

Facility means, collectively, the Facility Realty and the Facility Personalty.

Facility Personalty means the materials, furnishings, fixtures, machinery, equipment and other tangible personal property acquired, constructed, renovated, equipped or installed in connection with the Project.

Facility Realty means the real property and improvements located at 1912 Route 22, Brewster, New York 10509, Town of Southeast, County of Putnam, State of New York, on an approximately 1.71+/- acre parcel identified as Section 35, Block 2, Lot 6.

Financial Assistance means the financial assistance authorized by the Agency for the Project, consisting of: (a) sales and use tax exemptions with respect to the cost of using or acquiring materials and equipment in the maximum amount of $232,209 with respect to the $2,771,000 cost of construction materials and equipment for the Project; (b) payment-in-lieu-of-tax benefits to be provided pursuant to the PILOT Agreement; and (c) mortgage recording tax exemptions with respect to approximately $2,000,000 of mortgage financing for the Project, to the extent permitted by applicable law.

Financial Relief means any tax relief, bond proceeds, grant or other financial relief provided to a recipient in connection with the Project.

Lease Agreement means the lease or leaseback agreement pursuant to which the Agency subleases the Facility Realty and leases the Facility Personalty to the Company.

Local Workforce Requirement means the local workforce utilization goals, criteria and requirements set forth in the Workforce Policy, to the extent applicable to the Project.

Maximum Sales Tax Exemption means $232,209.

PILOT Agreement means the payment-in-lieu-of-tax agreement between the Agency and the Company with respect to the Facility.

Project means the acquisition, construction, renovation, furnishing and equipping of the Facility and related improvements and personal property, as more particularly described in the Application and the Project Documents.

Project Documents means this Agreement, the Company Lease, Lease Agreement, PILOT Agreement, Sales Tax Exemption and Other Benefits Agreement, PILOT Mortgage, Agency Guaranty Agreement, Environmental Indemnity Agreement, any mortgages relating to financing of the Project, and all additional agreements, amendments, instruments, opinions, certificates, affidavits and other documents reasonably necessary to carry out the Project and the Financial Assistance.

Recaptured Benefits means all Agency Benefits required to be repaid, returned, recovered or recaptured under this Agreement, the Recapture Policy, the Project Documents or applicable law, including sales and use tax savings, mortgage recording tax savings, PILOT benefits and any other Financial Assistance derived solely from the Agency's participation in the Project.

Recapture Event has the meaning set forth in Section 8 of this Agreement.

Recapture Policy means the Agency's recapture policy applicable to the Project, including the material factors established by the Agency in its May 19, 2026 Authorizing Resolution. (Annexed hereto and made a part hereof as Exhibit "A")

Sales Tax Exemption means the exemption from New York State and local sales and use taxes authorized by the Agency in connection with eligible purchases and leases for the Project.

Subagent means any contractor, subcontractor, vendor or other person or entity appointed or authorized to act as agent of the Agency through the Company for purposes of obtaining the Sales Tax Exemption in connection with the Project.

Workforce Policy means the Agency's Putnam County First Workforce Policy adopted April 16, 2024, as may be amended, supplemented or restated from time to time. (Annexed hereto and made a part hereof as Exhibit "B").

Workforce Letter of Understanding means the Agency's Putnam First Workforce Policy Letter of Understanding for project applicants/owners, contractors and subcontractors, or such other acknowledgment form as the Agency may require. (Annexed hereto and made a part hereof as Exhibit "C").

SECTION 2. Project; Purpose; Agency Findings

2.1 The Project consists of the acquisition, construction, renovation, furnishing and equipping of a shop/warehouse and office facility located on an approximately 1.71+/- acre parcel of land at 1912 Route 22, Brewster, New York 10509, in the Town of Southeast, County of Putnam, State of New York.

2.2 The approximate total Project cost is $3,510,000.

2.3 The purpose of the Financial Assistance is to promote, develop, encourage and assist in the acquisition, construction, renovation, improvement, maintenance, equipping and furnishing of the Facility, to advance job opportunities, health, general prosperity and economic welfare of the people of Putnam County, New York, and to promote the investment, employment and other commitments of the Company contained in the Application and the Project Documents.

2.4 The Company expects that the Project will create local construction jobs and up to 75 permanent jobs at the Facility, approximately 75 of which will be full-time, approximately 0 of which will be part-time, and approximately 19 of which will be from the Labor Market Area.

2.5 The Agency has determined that the Project constitutes a "project" within the meaning of the Act, will result in capital investment in Putnam County, will create construction jobs and maintain existing jobs within Putnam County, and will advance job opportunities, health, general prosperity and economic welfare of the people of Putnam County.

2.6 The Company acknowledges that the Agency's undertakings are subject to the Company's full compliance with applicable law, the Project Documents and all conditions imposed by the Agency in connection with the Financial Assistance.

SECTION 3. Straight-Lease Transaction and Agency Appointment

3.1 The parties intend that the Project be undertaken as a straight-lease transaction pursuant to the Act.

3.2. In connection with the straight-lease transaction:

a. The Company will lease the Facility Realty to the Agency pursuant to the Company Lease.

b. The Agency will sublease the Facility Realty and lease the Facility Personalty to the Company pursuant to the Lease Agreement.

c. The Agency will appoint the Company as the Agency's agent for purposes of developing, acquiring, constructing, renovating, equipping and installing the Project, subject to the terms of this Agreement and the other Project Documents.

d. The Company will enter into the Company Lease, Lease Agreement, PILOT Agreement, Sales Tax Exemption and Other Benefits Agreement, PILOT Mortgage, Agency Guaranty Agreement, Environmental Indemnity Agreement and any other documents reasonably required by the Agency.

3.3 The Company shall limit its activities as agent of the Agency to acts reasonably related to the acquisition, construction, renovation, equipping, furnishing and installation of the Project.

3.4 The Company's right to act as agent of the Agency shall expire on the earliest of: (i) completion of the construction of the Project; (ii) termination of this Agreement; (iii) the occurrence of a default by the Company of any of its obligations hereunder, under the Lease Agreement, under the PILOT Agreement or under any other Project Document which remains uncured for thirty (30) days after written notice by the Agency of such default or, if such default is not susceptible of a cure within thirty (30) days, if the Company is not proceeding with due diligence to cure such default; or (iv) termination of any Project document. The Agency may extend the Company's agent appointment at its discretion upon written request by the Company.

3.5 The Company shall not claim or use any Financial Assistance except in accordance with the Act, the New York Tax Law, the Agency's policies, this Agreement and the other Project Documents.

SECTION 4. Company Representations and Covenants

The Company represents, warrants and covenants to the Agency as follows:

4.1 The Company is a New York limited liability company, duly organized, validly existing and in good standing under the laws of the State of New York, is authorized to conduct business in the State of New York, has the authority to enter into this Agreement and the other Project Documents to which it is a party, and has duly authorized the execution and delivery of this Agreement and the other Project Documents.

4.2 Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with this Agreement will conflict with or result in a breach of any restriction, agreement or instrument to which the Company is a party or by which it is bound, constitute a default under any such restriction, agreement or instrument, or result in the creation or imposition of any lien upon any property of the Company, except as contemplated by the Project Documents.

4.3 The information contained in the Application and all materials submitted to the Agency in connection with the Project is true, correct and complete in all material respects as of the dates submitted, subject to any written updates provided to the Agency.

4.4 There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, in which an adverse result would diminish or adversely affect the Company's ability to fulfill its obligations under this Agreement or the other Project Documents.

4.5 The Company shall undertake and complete the Project substantially as described in the Application and the Project Documents.

4.6 The Facility and its operation shall conform with all applicable zoning, planning, building, environmental, worker protection and other federal, State and local laws, rules, regulations, orders, permits, approvals and requirements.

4.7 The Company shall obtain and maintain all permits, licenses, approvals and consents required for the acquisition, construction, renovation, furnishing, equipping, occupancy, use and operation of the Project.

4.8 Any personal property acquired by the Company in the name of the Agency shall be located in Putnam County, except for temporary periods during ordinary use.

4.9 Facilities and property primarily used in making retail sales of goods and services to customers who personally visit the Facility shall not constitute more than one-third of the total costs of the Facility, except in accordance with Section 862 of the New York General Municipal Law.

4.10 The Company shall not use Agency funds in connection with the Project for advertising or promotional materials that depict elected or appointed government officials in print or electronic media, and shall not use Agency funds in connection with the Project for any group or organization attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York.

4.11 Except to the extent of bond proceeds, if any, issued by the Agency with respect to the Project, the Agency shall not be liable, directly, indirectly or contingently, upon any contract, agreement, invoice, bill or purchase order entered into by the Company or any

Subagent in connection with the Project, and the Company shall be the sole party liable thereunder.

4.12 The Company shall maintain its existence, shall not dissolve, liquidate or wind up, shall remain subject to service of process in the State of New York, and shall not sell, assign or dispose of all or substantially all of its property, business or assets except as permitted by this Agreement and the other Project Documents.

4.13 This Agreement may not be assigned in whole or in part without the prior written consent of the Agency, except as expressly permitted by the Project Documents.

4.14 The Company confirms and acknowledges under penalty of perjury that, as of the date of this Agreement, the Company, as owner, occupant or operator of the Project receiving Financial Assistance from the Agency in connection with the Project, is in substantial compliance with all applicable local, State and federal tax, worker protection and environmental laws, rules and regulations.

4.15 The Company shall promptly comply in all material respects with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all federal, State, county, municipal and other governmental authorities applicable to the Facility or any part thereof, or to any use, manner of use or condition of the Facility or any part thereof.

4.16 The Company may in good faith contest the validity or applicability of any legal requirement, provided that the Company obtains the Agency's prior written consent, which shall not be unreasonably conditioned, delayed or withheld, and provided further that the Agency may require compliance if the Agency determines that noncompliance may adversely affect the Agency, the Facility, the Project or the Financial Assistance.

SECTION5. Financial Assistance; Sales Tax Exemption

5.1 Subject to the terms and conditions of this Agreement and the other Project Documents, the Agency has approved Financial Assistance for the Project consisting of:

a. sales and use tax exemptions with respect to the cost of using or acquiring materials and equipment in the maximum amount of $232,209 with respect to the $2,771,000 cost of construction materials and equipment for the Project;

b. payment-in-lieu-of-tax benefits in amounts to be determined pursuant to the Agency's Uniform Tax Exemption Policy and the PILOT Agreement; and

c. mortgage recording tax exemptions with respect to approximately $2,000,000 of mortgage financing for the Project, to the extent permitted by applicable law.

5.2 The Agency constitutes a corporate governmental agency and public benefit corporation under the laws of the State of New York and, in the exercise of its governmental functions, is exempt from the imposition of sales and use taxes. As an exempt governmental entity, no exempt organization identification number has been issued to the Agency and none is required.

5.3 The Agency makes no representation to the Company, any Subagent or any third party that any Sales Tax Exemption, mortgage recording tax exemption, PILOT benefit or other Financial Assistance will be available in any particular amount or under any particular circumstances. Availability of Financial Assistance is subject to applicable law and the requirements of the relevant taxing authorities.

5.4 The Agency authorizes the Company, subject to the terms and conditions of this Agreement, to act as its agent in connection with the Project for the purpose of effecting purchases and leases of eligible items so that such purchases and leases are exempt from the imposition of sales and use taxes.

5.5 The Sales Tax Exemption shall be subject to the following limitations:

a. The Sales Tax Exemption shall be effective only for a term commencing on the date of this Agreement and expiring upon the earliest of: (i) termination of this Agreement; (ii) the Termination Date; (iii) failure of the Company to file Form ST-340 as required by this Agreement; (iv) termination of the Sales Tax Exemption authorization; or (v) the date upon which the Company and all Subagents have received the Maximum Sales Tax Exemption.

b. The Sales Tax Exemption authorization shall automatically be suspended upon written notice to the Company that the Company is in default under this Agreement or any related Project Document until such default is cured to the satisfaction of the Agency.

c. The Sales Tax Exemption shall be used only for items purchased, leased, incorporated, completed or installed for use by the Company at the Facility or in connection with the Project, and not with any intention to sell, transfer or otherwise dispose of such item to any person or entity other than the Company, except as permitted by the Project Documents and applicable law.

d. The Sales Tax Exemption shall not be used to benefit any person or entity, including any tenant or subtenant located at the Facility, other than the Company, without the Agency's prior written consent.

e. The aggregate amount of Sales Tax Exemption realized by the Company and all Subagents in connection with the Project shall not exceed the Maximum Sales Tax Exemption.

f. Upon expiration or termination of the Company's agency appointment, the Company and each Subagent shall cease being agents of the Agency, and the Company shall immediately notify each Subagent in writing of such termination.

5.6 The Company shall maintain complete and accurate records of all purchases, leases and transactions for which any Sales Tax Exemption is claimed, including invoices, purchase orders, contracts, exemption certificates and related documentation.

5.7 The Company shall provide the Agency with reports, records, certificates and other information reasonably requested by the Agency to verify the amount and proper use of Financial Assistance.

5.8 The Company shall promptly notify the Agency if the Company becomes aware that any Financial Assistance has been claimed or used in a manner not authorized by the Act, the New York Tax Law, this Agreement, the Agency's policies or the other Project Documents.

SECTION 6. Subagents; Sales Tax Forms; Reporting

6.1 If the Company desires to seek appointment of a contractor, subcontractor or other party to act as a Subagent for purposes of effecting purchases eligible for the Sales Tax Exemption, the Company shall comply with the procedures required by the Agency and applicable law.

6.2 The Company shall be solely responsible for maintaining an accurate list of all parties acting as agent or Subagent of the Agency in connection with the Project.

6.3 The Company's right to appoint Subagents is expressly conditioned upon: (a) updating the applicable schedule of Subagents; (b) completing and submitting Form ST-60 to the Agency for each Subagent; (c) obtaining the signature of an Authorized Representative of the Agency on the applicable Form ST-60; and (d) filing the completed Form ST-60 with the New York State Department of Taxation and Finance within thirty days after the Agency appoints the Subagent.

6.4 The Company acknowledges and agrees that it is the Company's sole and exclusive responsibility to file a completed Form ST-60 with respect to any Subagent and that failure to do so may result in an Event of Default and a Recapture Event.

6.5 The Company shall ensure that each Subagent observes and complies with the terms and conditions of this Agreement and applicable law.

6.6 The Company acknowledges that an executed Form ST-60 designating the Company or any Subagent as agent of the Agency shall not serve as a sales tax exemption certificate or document. Neither the Company nor any Subagent may tender a copy of an executed Form ST-60 to any person required to collect sales or use tax as a basis for making purchases exempt from tax.

6.7 As agent of the Agency, the Company shall, and shall cause each Subagent to, present to each seller or vendor a completed and signed Form ST-123 for each contract, agreement, invoice, bill or purchase order entered into by the Company or any Subagent, as agent for the Agency, for purposes of undertaking the Project.

6.8 Each seller or vendor accepting Form ST-123 shall be requested to identify the Facility on each bill or invoice and indicate on the bill or invoice that the Agency, the Company or the applicable Subagent, as project operator or agent of the Agency, was the purchaser.

6.9 The Company shall retain copies of all contracts, agreements, invoices, bills, purchase orders and exemption records for a period of not less than six years from the date thereof or for such longer period as may be required by applicable law or the Project Documents.

6.10 All contracts entered into by the Company and all Subagents as agent for the Agency shall include language required by the Agency to reflect the applicable agency status and sales tax exemption limitations. Failure to include such required language may disqualify the agency status and Sales Tax Exemption derived by virtue of this Agreement.

6.11 The Company and all Subagents shall make contracts and related records available to the Agency for inspection and confirmation of compliance with this Agreement.

6.12 The Company shall annually file, on or before February 15 of each year in which the Sales Tax Exemption is in place, a statement with the New York State Department of Taxation and Finance and the Agency on Form ST-340, Annual Report of Sales and Use Tax Exemptions, regarding the value of Sales Tax Exemptions claimed by the Company and its Subagents pursuant to the agency conferred in connection with the Project.

6.13 The Company shall report only Sales Tax Exemptions derived as a result of the Agency's participation in the Project and shall not report exemptions received as a result of other available State exemptions, including exemptions available to certain manufacturers or exemptions applicable to capital improvements.

6.14 The Company understands and agrees that failure to file Form ST-340 as required may result in removal of the Company's authority to act as agent for the Agency and recapture of Agency Benefits.

6.15 The Company shall comply, and shall cause each contractor, subcontractor, Subagent, person or entity acting on its behalf to comply, with the requirements of General Municipal

Law Sections 875(1) and 875(3), as amended. In the event of a conflict between this Agreement and those statutory requirements, the statutory requirements shall control.

SECTION 7. Employment, Operating and Workforce Policy Covenants

7.1 The Company shall use commercially reasonable efforts to create and maintain employment at the Facility consistent with the Application, the Agency's material factors for the Project and the Workforce Policy.

7.2 The Company acknowledges that the Agency has identified the following employment-related material factors for the Project:

a. creation of not less than 75 equivalent full-time jobs at the Project as of June 1, 2029; and

b. maintenance at the Facility of at least 94 full-time equivalent jobs for 10 years from the closing date.

7.3 The Company shall comply with and cause its contractors, subcontractors, Subagents, suppliers, vendors and other recipients of Financial Assistance or Financial Relief to comply with the Workforce Policy to the extent applicable to the Project. The Company shall implement and adhere to the Putnam County First policy by supporting, to the greatest extent possible, Putnam County and Mid-Hudson Valley based providers, businesses and vendors, and by providing employment opportunities to Putnam County residents first.

7.4 If the Company, any contractor, subcontractor, Subagent, supplier or vendor cannot comply "to the greatest extent possible" with the Workforce Policy, the Company shall demonstrate and document the efforts undertaken to meet the policy's goals, the obstacles encountered and any other relevant information reasonably requested by the Agency. The Agency shall consider such information in determining whether the Company has adequately addressed the objectives and goals of the Workforce Policy.

7.5 To the extent the Project is subject to the Workforce Policy's local workforce utilization requirements, the Company shall require that at least 30% of all Project employees reside in Putnam County if qualified residents are available, and that 40% of all workers of the general contractor, subcontractors and lower-tier subcontractors working on the Project Site reside within the Local Workforce Area, with the remaining 30% permitted to be outside the Local Workforce Area to meet specialty and warranty needs. For purposes of this Section, the Local Workforce Area consists of Dutchess County, Orange County, Putnam County, Rockland County, Ulster County and Westchester County.

7.6 To the extent the Project is subject to the Workforce Policy's apprenticeship requirements, the Company shall require contractors performing work on site to have a New York State Department of Labor registered apprentice program with a five-year average graduation rate of 40% or better and shall provide documentation evidencing each such registered apprentice program and graduation rate.

7.7 The Company shall include a copy of the Workforce Policy in all applicable bid documents and responses and shall obtain acknowledgments from contractors that they will abide by the terms of the Workforce Policy. Before receiving Agency benefits, the Company and each awarded contractor shall be provided with a copy of the Workforce Policy and shall execute a Workforce Letter of Understanding or other Agency-approved acknowledgment affirming receipt of and future adherence to the Workforce Policy.

7.8 Before the start of work, the Company shall cause all contractors and subcontractors of any tier performing work on the Project Site or utilizing any portion of the Agency's benefits to sign a Workforce Letter of Understanding. The Company, construction manager or general contractor, as applicable, shall furnish original copies to the Agency and maintain copies on site for review upon request.

7.9 The Company shall cause every contractor performing onsite work to maintain onsite a copy of the signed Workforce Policy acknowledgment or Workforce Letter of Understanding.

7.10 The Company shall verify Local Workforce criteria, to the extent applicable, through certified payrolls, including each employee's name, address, I-9 verification form and OSHA 30 card. Such information shall be kept onsite and be available for review by the Agency or its monitor upon request without notice.

7.11 The Company shall provide to the Agency's Executive Director or any duly appointed Agency monitor the names, contact information, certificate of authorization to do business in the State of New York and current certificates of New York State workers' compensation insurance, New York State disability insurance and general liability insurance for all contractors and lower-tier contractors working on the Project. The Company has a continuing obligation to provide this information during Project construction.

7.12 The Company shall provide, or cause to be provided, proof of current OSHA 30 training certification completed within the last five years and renewed every five years for all construction workers performing work on the Project Site; proof of a four-hour scaffold course/fall protection training for all construction workers utilizing a scaffold on the Project Site; and proof that all construction workers working on the Project Site passed a drug screening test before hiring, in each case to the extent required by the Workforce Policy.

7.13 The Agency and its designated agents shall have the right, during normal business hours and without limiting any other inspection rights, to examine and copy records of the Company, contractors, subcontractors and Subagents and to perform spot checks of workers at the Project Site to verify compliance with the Workforce Policy throughout the construction period and during normal operation of the business to monitor job creation and local labor policy compliance.

7.14 If the Company believes that workers residing within the Local Workforce Area are not available or that a waiver is otherwise justified under the Workforce Policy, the Company shall submit a written Local Workforce Utilization Waiver Request to the Agency, allowing 60 days for processing and due diligence, and shall provide supporting documentation for the waiver request. Permitted grounds may include warranty issues requiring manufacturer-approved installers, specialized construction for which qualified Local Workforce Area workers are unavailable, significant cost differentials in bid prices, or documented lack of available local workforce.

7.15 The Company shall submit employment reports, certifications and other information as the Agency may reasonably require to monitor job creation, job retention, local workforce utilization, Workforce Policy compliance and compliance with the Project Documents.

7.16 The Company shall provide annually to the Agency a certified statement and supporting documentation: (a) enumerating the full-time equivalent jobs retained and created as a result of the Financial Assistance, including full-time equivalent independent contractors or employees of independent contractors working at the Project location; (b) confirming whether the salary and fringe benefit averages or ranges for categories of jobs retained and created provided in the Application remain accurate, and if not, providing revised information; and (c) providing such other information as the Agency may reasonably request to assess the progress of the Project toward achieving the investment, job retention, job creation, Workforce Policy and other objectives stated in the Application.

7.17 The Company shall not liquidate its operations or assets at the Facility, cease all or substantially all of its operations at the Facility, transfer all or substantially all employees to a location outside Putnam County, or materially change the scope and nature of operations at the Project except as permitted by the Project Documents or with the Agency's prior written consent.

7.18 If Agency staff determines that the Local Workforce Requirement is not being met, or becomes aware of a compliance issue related to the Workforce Policy, the Agency may deliver a written warning of violation by email and certified mail to the Company. Within five calendar days of the issuance of an Agency report or Project Site visit, the Agency may issue a written request to correct the condition. The violating Company, contractor, subcontractor, Subagent or other recipient shall have 10 calendar days to correct the violation and notify the Agency in writing of the remedy, subject to the Agency's right to take further steps to verify that the remedy has been implemented.

7.19 If a subsequent Workforce Policy violation occurs, if a violation is not remedied, or if the Agency determines that further action is warranted, the Executive Director may bring the matter to the Agency Board. The Agency Board may appoint a monitor, require cooperation with the monitor, require the Company to reimburse all monitor costs, issue findings for the public record, revoke Agency benefits, recapture Agency benefits or take any other remedial action the Agency deems appropriate.

7.20 If any person or entity subject to the Workforce Policy fails to comply with the qualifications and conditions applicable to work on the Project Site for which Financial Assistance or Financial Relief has been granted, the parties agree that such failure materially frustrates the public purpose for which the Financial Assistance or Financial Relief was intended. In such event, the recipient of the Financial Assistance or Financial Relief may be subject to the following penalty schedule and/or any other remedial action the Agency deems appropriate:

a. First offense: the recipient shall pay the Agency an amount equal to 25% of the total Financial Assistance or Financial Relief granted.

b. Second offense: the recipient shall pay the Agency an amount equal to 50% of the total Financial Assistance or Financial Relief granted.

c. Third offense: the Financial Assistance or Financial Relief granted by the Agency shall be terminated upon written notice to the recipient, and the recipient shall pay the Agency an amount equal to the total value of any Financial Assistance or Financial Relief received before termination.

7.21 When required, the Agency may petition the appropriate State agency or body for revocation of any certification or approval, and upon such revocation, the Financial Assistance or Financial Relief provided to the recipient shall be terminated and the recipient shall pay the Agency an amount equal to the value of the Financial Assistance or Financial Relief received before termination.

7.22 Failure to comply with the Workforce Policy may result in reduction, loss, termination or recapture of IDA benefits awarded to the Company and/or the Company becoming ineligible for consideration for new project applications, as determined by the Agency in accordance with the Workforce Policy, the Recapture Policy, this Agreement and applicable law.

SECTION 8. <u>Recapture; Recovery of Agency Benefits</u>

8.1 The Company acknowledges that the Financial Assistance is subject to the Agency's Recapture Policy, General Municipal Law Section 875, this Agreement and the other Project Documents. The Agency has established Material Factors for the Project, including the job creation, job maintenance, investment, completion, operating, reporting, Workforce

Policy and compliance obligations set forth in this Agreement, the Agency's resolutions and the other Project Documents.

8.2 The Agency shall monitor compliance with Material Factors and other conditions of the Project approval during the term of the Financial Assistance, including through annual reports, Company certifications, staff review, field visits, monitor reports and any other method determined by the Agency. For multi-year Material Factors, including employment-related Material Factors, the Agency may monitor compliance at least annually for the full term of the Financial Assistance period.

8.3 If the Agency determines during an annual monitoring or reporting period, or otherwise, that the Company is non-compliant with or has violated a Material Factor, Workforce Policy requirement, term or condition of this Agreement or any other Project Document, the Agency may: (a) notify the Company in writing of the violation or non-compliance; (b) provide the Company an opportunity to remedy the violation; (c) request additional information or explanation from the Company regarding why the Material Factor or other requirement was not achieved; and (d) provide the Company an opportunity to present information to the Agency Board or a designated committee regarding the non-compliance, including information concerning economic events, natural disasters, industry dynamics, unfair competition or other events outside the Company's control.

8.4 Following review of the facts concerning non-compliance, the Agency Board may determine that no recapture action is warranted, may close the matter, may establish a specific period for the Company to achieve compliance, may require increased reporting, may reduce Financial Assistance, may terminate Financial Assistance, may recapture Financial Assistance, or may take any other action permitted by the Recapture Policy, Workforce Policy, this Agreement, the Project Documents or applicable law.

8.5 Reduction of Financial Assistance may be imposed in the Agency Board's discretion and may be based on the extent of Material Factor non-compliance, including on a pro-rata basis if the Company satisfies some but not all Material Factors or partially satisfies a numerical Material Factor.

8.6 Termination of Financial Assistance may be imposed for closure, change of use, change of ownership, continued non-compliance with a Material Factor, continued violation of this Agreement or another Project Document, failure to comply with ongoing reporting or compliance requirements, a Board action to recapture Financial Assistance, or any other basis permitted by the Recapture Policy, Workforce Policy, this Agreement or applicable law.

8.7 Recapture of Financial Assistance may be imposed for continued or severe violations of Material Factors or the terms and conditions of this Agreement or the other Project Documents, including if the Company knowingly provides false information in the

Application or a compliance or monitoring report, fails to make a good faith effort to meet a Material Factor or other Project requirement, ceases operations or relocates before fulfilling the required term for a Material Factor, or demonstrates wanton disregard for State or local laws or regulations.

8.8 The Agency shall have the right to recover, recapture, receive or otherwise obtain from the Company any Sales Tax Exemption or other Agency Benefits taken or purported to be taken by the Company, any Subagent or any person or entity acting on behalf of the Company to which the Company is not entitled, that are in excess of the Maximum Sales Tax Exemption, that are for property or services not authorized by the Agency, or that were taken in circumstances where the Company, any Subagent or any other person or entity acting on behalf of the Company failed to comply with a material term or condition for use of property or services in the manner required by this Agreement.

8.9 The Company shall, and shall require each Subagent and any other person or entity acting on behalf of the Company to, cooperate with the Agency in its efforts to recover, recapture, receive or otherwise obtain any unauthorized or excessive Sales Tax Exemption or other Agency Benefits, and shall promptly pay over any such amounts to the Agency, the State of New York or any other recipient designated by the Agency.

8.10 If the Company or any Subagent uses the Sales Tax Exemption in violation of this Agreement, the Company shall promptly notify the Agency and, upon demand by the Agency, shall pay to or at the direction of the Agency an amount equal to all unauthorized sales or use tax exemptions, together with interest at the rate of twelve percent per annum compounded daily from the date and with respect to the dollar amount for which each unauthorized Sales Tax Exemption was availed of by the Company or any Subagent.

8.11 A **Recapture Event** shall mean any of the following:

a. the occurrence and continuation of an Event of Default under this Agreement beyond any applicable notice or cure period;

b. the Project ceases to constitute a "project" within the meaning of the Act as in effect on the date of this Agreement through the act or omission of the Company;

c. the Company or any Subagent receives Sales Tax Exemption in connection with property or services not authorized by the Agency as part of the Project;

d. the Company or any Subagent receives Sales Tax Exemption in connection with the Project in excess of the Maximum Sales Tax Exemption, provided that such excess shall constitute a Recapture Event with respect to the excess Sales Tax Exemption only unless the Company fails to repay such excess within thirty days after demand, in which case the failure shall constitute a Recapture Event with respect to all Recaptured Benefits;

e. the Company made a material false or misleading statement, or omitted information that would have rendered information in the Application or supporting documentation false or misleading in any material respect;

f. the Company fails to file a copy of Form ST-340 with the Agency as required by this Agreement;

g. the Company fails to complete the Project by the date required in the Lease Agreement;

h. the Company has created less than 75 equivalent full-time jobs at the Project as of June 1, 2029, or fails to maintain at the Facility at least 94 full-time equivalent jobs for 10 years from the closing date;

i. the Company liquidates its operations or assets at the Facility, absent a showing of extreme hardship as determined by the Agency in its reasonable discretion;

j. the Company ceases all or substantially all of its operations at the Facility, whether by relocation to another facility or otherwise, and whether to another location within or outside Putnam County;

k. the Company or any Affiliate transfers all or substantially all of its employees to a location outside Putnam County;

l. the Company or any Affiliate effects a substantial change in the scope and nature of operations at the Project, as determined by the Agency in its reasonable discretion;

m. the Company or any Affiliate assigns or subleases all or any portion of the Facility in violation of the Lease Agreement without the Agency's prior written consent;

n. the Company or any Affiliate sells, leases, transfers or otherwise disposes of all or substantially all of its interest in the Project except as permitted by the Lease Agreement;

o. an event of default occurs under the Company Lease, Lease Agreement, PILOT Agreement, PILOT Mortgage, Sales Tax Exemption and Other Benefits Agreement, Agency Guaranty Agreement, Environmental Indemnity Agreement, this Agreement or any other Project Document; or

p. the Company or any Affiliate violates the Workforce Policy.

8.12 Upon a Recapture Event and written notice from the Agency, the Company shall pay to the Agency, the State of New York or such other recipient as the Agency may direct one hundred percent of the applicable Recaptured Benefits within ten days after the date of such notice, unless a different amount or timing is required by applicable law, the Recapture Policy, the Workforce Policy or the relevant Project Document.

8.13 If any payment owing by the Company under this Section is not paid upon demand, such payment shall bear interest from the date of demand at a rate equal to one percent plus the Prime Rate, but in no event higher than the maximum lawful rate, until paid in full.

8.14 The Agency shall be entitled to deduct from amounts received under this Section all reasonable out-of-pocket expenses incurred in connection with recovery of Recaptured Benefits, including reasonable legal fees.

8.15 If the Agency is successful in receiving recaptured Financial Assistance, such funds shall be returned to the appropriate affected taxing jurisdictions unless otherwise agreed upon by the applicable local taxing jurisdiction.

8.16 The Agency has the right, but not the obligation, to reduce or eliminate any reimbursement, reduction, termination or recapture remedy as permitted by the Project Documents and the Agency's policies.

SECTION 9. Environmental Matters; SEQRA

9.1 The Company acknowledges that the Planning Board of the Town of Southeast acted as lead agency for SEQRA review of the Project, determined that the Project is an Unlisted Action, and adopted a Negative Declaration on November 24, 2025.

9.2 The Company shall comply with all applicable federal, State and local environmental, health and safety laws, regulations, permits and approvals relating to the Project, the Facility and the Project site.

9.3 Except in compliance with environmental laws and regulations, the Company covenants that: (a) no pollutants, contaminants, solid wastes or toxic or hazardous substances shall be stored, treated, generated, disposed of or allowed to exist on the Facility; (b) the Company shall take reasonable and prudent steps to prevent an unlawful release of hazardous substances onto the Facility or any other property; (c) no asbestos shall be incorporated into or disposed of on the Facility; and (d) no underground storage tanks shall be located on the Facility.

9.4 The Company shall immediately notify the Agency in writing, with full details, upon receiving any information or notice contrary to the environmental representations and covenants contained in this Agreement.

9.5 Before execution of the Project Documents and upon request thereafter, the Company shall provide evidence satisfactory to the Agency that the Company has obtained and is in compliance with all required environmental, health and safety permits and approvals.

9.6 The Company shall resolve any environmental issues at the Project site to the satisfaction of Agency counsel, including by providing additional reports, certificates, reserves, escrows or other assurances reasonably requested by the Agency.

9.7 If the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to environmental matters or to have an environmental audit performed with respect to the Facility, the Company shall pay the expenses thereof to the Agency upon demand.

9.8 The Company shall execute and deliver an Environmental Indemnity Agreement in form and substance acceptable to the Agency.

SECTION 10. <u>Insurance</u>

10.1 Effective as of the date of this Agreement and until expiration or termination of the Company's right to act as agent of the Agency hereunder, the Company shall maintain, or cause to be maintained by its Subagents or subcontractors, insurance against such risks and in such amounts as are customarily insured against by businesses of like size and type, and shall pay all premiums as they become due.

10.2 Required insurance shall include, without limitation:

a. insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company; provided that the Company may insure the Facility under a blanket policy covering the Facility and other properties if a periodic appraisal is performed and provided to the Agency;

b. workers' compensation insurance, disability benefits insurance and each other form of insurance that the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company located at or assigned to the Facility; and

c. commercial general liability insurance against liabilities imposed by law or assumed in any written contract, including contractual liability assumed by the Company under this Agreement, arising from personal injury, death or damage to property, with limits of not less than $1,000,000 per accident or occurrence on account of personal injury, including death, $1,000,000 per accident or occurrence on account of damage to property of others, and a blanket excess liability policy in an amount not less than $3,000,000.

10.3.All liability insurance required by this Agreement shall name the Agency as an additional insured.

10.4 All insurance shall be procured and maintained with financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State of New York.

10.5 Insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged.

10.6 Certificates of insurance evidencing required coverage shall be deposited with the Agency on the date of this Agreement. Before expiration of any policy, the Company shall furnish the Agency with evidence that the policy has been renewed, replaced or is no longer required by this Agreement.

SECTION 11. Fees, Costs and Expenses

11.1 The Company shall pay all fees, costs and expenses incurred by the Agency in connection with the Project, including: (a) legal services, including those provided by the Agency's general counsel, transaction counsel and special counsel; (b) consultants retained by the Agency; and (c) enforcement of any Event of Default or failure to comply with this Agreement, including reasonable attorneys' fees.

11.2 The Company is liable for payment to the Agency of all such fees, costs and expenses, and all other actual costs and expenses incurred by the Agency in undertaking the Project, notwithstanding: (a) the Company's withdrawal, abandonment, cancellation or failure to pursue the Project; (b) the Company's inability to procure financing for the Project; or (c) the Company's failure, for any reason, to undertake or successfully complete the Project.

11.3 The Company acknowledges that it is required to maintain a special expense account for the Project known as the Apap Land Management LLC Project Expense Account.

11.4 Within ten days following adoption of the applicable Agency resolution, the Company shall deliver to the Agency a certified or official bank check or federal funds wire transfer in the amount of $10,000 for deposit into the Apap Land Management LLC Project Expense Account.

11.5 Amounts in the Apap Land Management LLC Project Expense Account shall be applied by the Agency to pay Agency expenses relating to the Project, including fees and expenses of the Agency's outside counsel, Hogan, Rossi & Liguori, pursuant to a Retainer Agreement dated March 13, 2026. Interest on the deposit shall be credited to the account.

11.6 If the balance in the Apap Land Management LLC Project Expense Account is depleted, the Agency may direct the Company to deliver additional funds to the Agency in increments of $5,000, sufficient to cover anticipated Agency costs and payments required under the Retainer Agreement. The Company shall deliver such additional funds within ten days following the Agency's direction.

11.7 The Agency shall not be required to incur any costs in furtherance of the Project if the Apap Land Management LLC Project Expense Account is not funded or replenished in accordance with this Agreement.

11.8 If the Project is abandoned, terminated or the Agency's authorization expires, and unpaid Agency fees or expenses remain, the Agency may apply funds in the Apap Land Management LLC Project Expense Account to those unpaid fees and expenses and shall return any excess balance to the Company.

SECTION 12. <u>Indemnification; No Agency Liability</u>

12.1 The Company releases the Agency from, agrees that the Agency shall not be liable for, and shall indemnify, defend and hold harmless the Agency and its executive director, directors, members, officers, employees, agents other than the Company, representatives, successors and assigns from and against any and all claims, losses, liabilities, damages, injuries, costs and expenses, including reasonable attorneys' fees, arising out of or relating to:

a. loss or damage to property, or injury to or death of any person, pertaining to the Facility or arising by reason of or in connection with the occupation, use or presence on, in or about the Facility;

b. the acquisition, construction, renovation, furnishing, equipping, installation, ownership, occupancy, operation, maintenance, repair, replacement or use of the Project or the Facility;

c. the Agency's financing, acquiring, renovating, equipping, owning, leasing or subleasing of the Facility;

d. the Agency's actions taken at the request of, or for the benefit of, the Company in connection with the Project or the Financial Assistance;

e. any breach by the Company of this Agreement or any other Project Document;

f. any violation of law by the Company or relating to the Project; and

g. any environmental condition, release, threatened release, contamination or remediation obligation relating to the Project site or the Facility.

12.2 The indemnities in this Agreement apply notwithstanding the fault or negligence of the Agency or any indemnified person and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities shall not apply to the extent caused by the gross negligence or willful misconduct of the Agency or the applicable indemnified person.

12.3 The Agency makes no representation or warranty, express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of materials in the Project, or the suitability of the Project for the Company's purposes or needs.

12.4 The Agency shall not be liable to the Company or any other person for any loss, damage or expense caused, directly or indirectly, by the Project property or the use, maintenance, failure of operation, repair, service, adjustment, interruption of service or loss of use of the Project property, or for any loss of business howsoever caused.

12.5 No provision of this Agreement or any other Project Document shall constitute or give rise to a charge upon the general credit of the Agency or impose upon the Agency any pecuniary liability except from revenues, receipts or other funds expressly pledged for that purpose under the applicable Project Document.

12.6 No recourse shall be had for the performance of any obligation in connection with the Project against any member, officer, representative, employee or agent of the Agency, and no such person shall be personally liable for any payment or performance relating to the Project.

12.7 The Company's indemnification obligations shall survive termination, expiration or assignment of this Agreement.

SECTION 13. Assignment, Sublease and Transfer Restrictions

13.1 The Company shall not assign this Agreement, assign or sublease all or any portion of the Facility, or sell, lease, transfer or otherwise dispose of all or substantially all of its interest in the Project except as permitted by the Lease Agreement and other Project Documents or with the Agency's prior written consent.

13.2 The restrictions in this Section shall not prohibit a transfer or disposition to any corporation or other entity into or with which the Company may be merged or consolidated, or to any corporation or other entity that is an affiliate, subsidiary, parent or successor of the Company, if the transfer is permitted under the Lease Agreement and the transferee assumes the Company's obligations under the Project Documents to the extent required by the Agency.

13.3 Any assignment, sublease, sale, lease, transfer or disposition made in violation of this Agreement or the other Project Documents shall be an Event of Default and may result in termination, reduction or recapture of Financial Assistance.

SECTION 14. Events of Default

Each of the following constitutes an **Event of Default** under this Agreement:

14.1 The Company fails to pay any amount due to the Agency when due, including Recaptured Benefits, and such failure continues beyond any applicable notice or cure period.

14.2 The Company fails to perform or observe any material covenant, condition or agreement under this Agreement or any other Project Document and such failure continues beyond any applicable notice or cure period.

14.3 Any representation, warranty, certification or statement made by the Company in the Application, this Agreement, any Project Document or any report delivered to the Agency is false or misleading in any material respect when made.

14.4 The Company claims or uses Financial Assistance in a manner not authorized by the Act, the New York Tax Law, Agency policy, this Agreement or the other Project Documents.

14.5 A Recapture Event occurs and continues beyond any applicable notice or cure period.

14.6 The Company abandons the Project or fails to complete the Project by the date required in the Lease Agreement.

14.7 The Company fails to comply with any material applicable law, permit, approval or governmental requirement relating to the Project or the Facility.

14.8 The Company dissolves, liquidates, fails generally to pay its debts as they become due, makes an assignment for the benefit of creditors, commences a bankruptcy or insolvency proceeding, has a bankruptcy or insolvency proceeding commenced against it that is not dismissed within forty days, or has a trustee, receiver or similar official appointed for substantially all of its property.

14.9 The Company, any contractor, subcontractor, Subagent, supplier, vendor or other recipient of Financial Assistance or Financial Relief fails to comply with the Workforce Policy, fails to execute or maintain required Workforce Letters of Understanding, fails to provide required workforce, safety, insurance or certified payroll documentation, fails to cooperate with an Agency monitor or inspection, or fails to remedy a Workforce Policy violation within the time required by the Agency.

14.10 The occurrence of any event that constitutes an event of default under the Company Lease, Lease Agreement, PILOT Agreement, PILOT Mortgage, Sales Tax Exemption and Other Benefits Agreement, Agency Guaranty Agreement, Environmental Indemnity Agreement or any other Project Document.

SECTION 15. <u>Remedies</u>

15.1 Upon the occurrence and continuation of an Event of Default, the Agency may exercise any one or more of the following remedies to the extent permitted by law:

a. declare all due and owing Recaptured Benefits and all other payments due under this Agreement immediately due and payable;

b. suspend, reduce, terminate or recapture Financial Assistance;

c. demand reimbursement of Financial Assistance to the extent permitted by this Agreement, the Project Documents and applicable law;

d. terminate this Agreement and the Sales Tax Exemption authorization;

e. terminate the Company's agency appointment for sales and use tax exemption purposes;

f. exercise rights and remedies under the PILOT Agreement, PILOT Mortgage, Agency Guaranty Agreement, Environmental Indemnity Agreement or any other Project Document;

g. seek specific performance, injunctive relief or other equitable relief; and

h. pursue any other remedy available at law or in equity.

15.2 No action taken by the Agency, including termination of this Agreement or the Sales Tax Exemption authorization, shall relieve the Company from its obligation to pay Recaptured Benefits or other amounts required under this Agreement or the Project Documents.

15.3 No remedy conferred upon or reserved to the Agency is intended to be exclusive of any other remedy. Each remedy is cumulative and in addition to every other remedy available under this Agreement, the Project Documents, at law or in equity.

15.4 No delay or omission by the Agency to exercise any right or power accruing upon any default shall impair that right or power or be construed as a waiver thereof.

15.5 If the Company defaults under this Agreement and the Agency employs attorneys or incurs expenses for collection of amounts payable or enforcement of performance or observance of Company obligations, the Company shall, on demand, pay the Agency the fees of such attorneys and such other expenses incurred.

SECTION 16. <u>Reporting, Records and Inspection</u>

16.1 The Company shall keep complete and accurate books and records relating to the Project, employment at the Facility, Project costs, claimed Financial Assistance, PILOT payments, sales and use tax exemption usage, mortgage recording tax exemption usage and compliance with this Agreement and the other Project Documents.

16.2 The Company shall provide annual and periodic reports to the Agency as reasonably required by the Agency, including employment information, Project status reports, sales tax exemption usage reports and certifications of compliance.

16.3 Upon reasonable notice to the Company, the Company shall make available at reasonable times to the Agency and its representatives all books, records, contracts, agreements, invoices, bills, purchase orders and other records of the Company and its Subagents necessary to indicate in reasonable detail the costs for which the Company or any Subagent used the Sales Tax Exemption and to permit the Agency to determine any amounts owed by the Company under this Agreement.

16.4 The Company shall require its appropriate officers and employees to respond to reasonable inquiries by the Agency and its representatives relating to compliance with this Agreement and the Project Documents.

16.5 The Company shall retain records relating to claimed Financial Assistance for at least six years from the date of the relevant transaction or for such longer period as may be required by applicable law or the Project Documents.

SECTION 17. <u>Conditions to Agency Obligations</u>

The Agency's obligations under this Agreement and the other Project Documents are conditioned upon satisfaction of each of the following, in form and substance acceptable to the Agency:

17.1 full compliance with SEQRA;

17.2 notice to applicable taxing authorities;

17.3 execution and delivery of the PILOT Agreement and provision of satisfactory security for payments due thereunder;

17.4 execution and delivery of the Company Lease, Lease Agreement, Sales Tax Exemption and Other Benefits Agreement, PILOT Mortgage, Agency Guaranty Agreement, Environmental Indemnity Agreement and all other Project Documents required by the Agency;

17.5 provision of full indemnities by an entity in form and substance acceptable to the Agency;

17.6 evidence that the Company has obtained and is in compliance with all applicable federal, State and local environmental, health and safety permits;

17.7 payment or provision for payment of Agency fees, counsel fees and expenses;

17.8 delivery of all Workforce Policy acknowledgments, Workforce Letters of Understanding, contractor and subcontractor insurance certificates, safety training documentation, drug screening confirmations, certified payroll procedures, waiver requests and other workforce compliance documentation required by the Agency or the Workforce Policy; and

17.9 delivery of all opinions, certificates, affidavits, insurance evidence, title materials, surveys, organizational documents, authorizations and other closing deliveries reasonably required by the Agency or Agency counsel.

SECTION 18. Term; Survival

18.1 This Agreement shall become effective on the date first written above and shall continue until all obligations of the Company under this Agreement and the other Project Documents have been fully performed, unless earlier terminated in accordance with this Agreement or the Project Documents.

18.2 Termination or expiration of this Agreement shall not affect obligations that expressly or by their nature survive, including indemnification, payment obligations, reporting obligations, recapture obligations, audit and inspection rights, environmental obligations and reimbursement obligations.

18.3 The warranties, representations, obligations and covenants of the Company under this Agreement are absolute and unconditional, shall remain in full force and effect during the term of this Agreement, shall be deemed to have been relied upon by the Agency, and shall survive delivery and termination of this Agreement regardless of any investigation made by the Agency.

SECTION 19. Notices

All notices, claims, demands, requests, consents, approvals and other communications under this Agreement shall be in writing and shall be deemed duly given if personally delivered, sent by nationally recognized overnight courier, or mailed by certified or registered mail, postage prepaid, return receipt requested, addressed as follows, or to such other address as a party may designate by notice:

If to the Agency:

Putnam County Industrial Development Agency
2 Route 164
Patterson, New York 12563
Attention: Chair

With a copy to:

Hogan, Rossi & Liguori
3 Starr Ridge Road
Brewster, New York 10509
Attention: Agency Counsel

If to the Company:

APAP Land Management LLC
1278 Route 311
Patterson, New York 12563
Attention: George Apap

With a copy to:

Craig Bumgarner, Esq.
1118 Route 52
Carmel, New York 10512

All notices shall be deemed given when personally delivered, when delivered by nationally recognized overnight courier, or when mailed in the manner provided in this Section.

Except as otherwise provided in herein, every notice, demand, request, or other communication hereunder shall be deemed to have been given or served the same day of service if delivered personally and one (1) business day following service if delivered by overnight courier service.

Any notice mailed or emailed to the last designated address of any person or party hereto to which a notice may be or is required to be delivered pursuant to this Agreement shall not be deemed ineffective if actual delivery cannot be made due to a change of address of the person or party to which the notice is directed or the failure or refusal of such person or party to accept delivery of the notice

SECTION 20. **<u>Miscellaneous</u>**
20.1 **Governing Law; Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of law principles that would require application of the laws of another jurisdiction. The parties agree to submit to the personal jurisdiction of the federal and State courts located in

Putnam County, New York, or such other New York court of competent jurisdiction as may be applicable.

20.2 **Entire Agreement.** This Agreement and the other Project Documents constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings concerning that subject matter.

20.3 **Amendments.** This Agreement may be amended only by a written instrument executed by the Agency and the Company.

20.4 **Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original and all of which together constitute one instrument.

20.5 **Severability.** If any provision of this Agreement is determined to be invalid, illegal or unenforceable, the remaining provisions shall remain in full force and effect to the fullest extent permitted by law.

20.6 **Further Assurances.** The parties shall execute and deliver such additional documents and take such additional actions as may be reasonably necessary to carry out the purposes of this Agreement and the Project Documents.

20.7 **No Third-Party Beneficiaries.** Except for the Agency's directors, members, officers, employees, agents, representatives, successors and assigns entitled to indemnification and exculpation under this Agreement, this Agreement is for the benefit of the parties and their permitted successors and assigns and does not confer rights on any other person.

20.8 **Headings.** Section headings are for convenience only and shall not affect interpretation of this Agreement.

20.9 **Signatures**: The parties hereby agree that this Agreement may be executed by digital signature or scanned signatures transmitted by electronic mail and/or in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which taken together shall constitute but one and the same original.

The exchange of copies of this Agreement and of signature pages by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes.

[Remainder of Page Intentionally Left Blank]

[signature page follows]

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

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: ______________________________
Name: William H. Nulk
Title: Chair

APAP LAND MANAGEMENT LLC

By: ______________________________
Name: George Apap
Title: Sole Member/Manager

Acknowledgment of Company

The undersigned Company acknowledges and agrees that it has read this Agreement, understands the terms and conditions set forth herein, and accepts the obligations imposed on the Company in connection with the Project and the Financial Assistance.

APAP LAND MANAGEMENT LLC

By: ______________________________
Name: George Apap
Title: Sole Member/Manager

EXHIBIT A

Recapture Policy means the Agency's recapture policy applicable to the Project, including the material factors established by the Agency in its May 19, 2026 Authorizing Resolution.

Putnam County Industrial Development Agency

2 Route 164, Suite 2B
Patterson, NY 12563
845-808-1031 www.putnamida.com

Recapture Policy

Purpose

To establish a procedure and policy to be compliant with the new enabling legislation, established by the NYS Office of the Comptroller, that would establish Material Factors which would be used to determine if a company which is receiving financial assistance is meeting the obligations required and stated in the approval and project agreements, and if not, to establish a process to review and determine if a reduction, termination and/or recapture of financial assistance is required.

Material Factors

The agency, for each project seeking financial assistance, will establish Material Factors which are to be defined and stated in the approving board resolution and project agreements. The required Material Factors, which will be explicit and measurable and may include items such as investment, job creation, retention, or other factors as determined by the board, may vary by project type or specific application. Each project approved by the board will have identified material factors, which will be measured and evaluated to determine if a project receiving financial assistance has met and or continues to meet the required obligations as set by the board at the time of project approval. (See attached best practice recommendations.)

For certain numerical Material Factors such as job creation, investment amount, etc., it is recommended that the board set an acceptable achievement factor, which would constitute compliance with the Material Factor requirement, not less than 85% of job creation or retention goals. For non-numeric factors, each board should determine how the project will be evaluated to demonstrate that it has met the Material Factor requirement.

The Board may consider a number of evaluative criteria when determining whether to approve a project for financial assistance; however, a Material Factor shall differ from Evaluative Criteria in that it should be directly measurable and will be utilized to determine whether a project has met its requirements under the conditions of project approval and project agreement.

Material Factor Monitoring

The agency shall develop a reporting/monitoring system to determine whether the Material Factors have been met or are being met over the term of the financial assistance, such as the duration of the PILOT agreement. Some Material Factors may be required and complied with over the term of the financial assistance—i.e., jobs—others may be a one-time check—i.e., project investment. For Material Factors that are multi-year, the agency will monitor for compliance on at least an annual basis, and for the full term of the financial assistance period. Upon project approval, the Board should be explicit in its project approvals, the Material Factors upon which the project will be evaluated, the measurable criteria, and the term for which each factor will be monitored.

Monitoring reports may be provided directly by the project applicant, from staff, field visits, or through various other methods as determined by the Board. Monitoring efforts should be documented in writing to verify compliance with Material Factor requirements.

Monitoring and compliance reports should be presented to the Board of Directors on an annual basis. If it is determined that a project receiving financial assistance has not met or maintained compliance with a Material Factor, term, or condition of the project agreement, or any other condition as set by the board, the Agency shall develop a procedure to resolve non-compliance issues, or may undertake termination, reduction, or recapture efforts.

Non-Compliance Process

If a company is found to be in violation or non-compliant with a Material Factor during the course of the compliance period, the agency shall have a written procedure to determine if an action by its Board is necessary.

If, during the annual monitoring and or reporting period, it is found that a company which is receiving financial assistance (which shall be defined as Sales, PILOT or Mortgage Recording Tax incentives), is non-compliant or in violation, the agency shall undertake the following:

1. The agency shall notify the company in writing that in the agency's determination they are or have violated a Material Factor.
2. The company shall be given an opportunity to remedy the violation.
3. The agency shall seek additional information/explanation from the company as to why a Material Factor was not achieved. These may include economic or natural factors that led to the default. These factors should be discussed and predetermined to the extent possible by the Board and may include items such as, natural disaster, industry dynamics, unfair competition, or economic events that were outside the control of the company.
4. The company shall be provided the opportunity to present before the Board or designated committee, any information as outlined in #3 above regarding why the Material Factor was not achieved.

Board Actions

Actions regarding taking no action to recapture benefits, reduction, termination, or recapture of financial assistance should be made by the Board. The following options are recommended as considerations for actions when considering Material Factor compliance or violations of terms and conditions of project agreements.

1. Upon a review of the facts regarding a non-compliance determination, the Board may determine that the cause of the non-compliance was a valid reason for not meeting the Material Factor and may consider the matter closed without further action, or set a specific time period to give an opportunity for the company to achieve compliance. This may also be accompanied by a period of increased reporting (i.e., review violated Material Factor(s) quarterly until remedied).
2. If a company is ultimately unable to meet a Material Factor or is in continued violation of the terms and conditions as set forth in the project agreement, the Board shall develop procedures and policies which will define when it will take actions regarding reduction, termination, or recapture of financial assistance. Below are listed several best practice options that may be undertaken.

Reduction of Financial Assistance

At the discretion of the Board, it may consider a reduction in assistance as an appropriate action to take in the event of a Material Factor or project agreement non-compliance. The reduction may be set at the sole discretion of the Board, or may be based on a pro-rata basis, depending on the extent of the Material Factor non-compliance. As an example, a project may have met three (3) out of four (4) Material Factors and the board could consider a 25% reduction in PILOT scheduled abatements, or a project may have only met 80% of a specific Material Factor, i.e., job creation or investment, and a 20% reduction in assistance may be considered. This same pro-rata concept may be applied to Material Factors which are multi-year and are enforced over the term of a PILOT, i.e., project met job retention goals for 8 of 10 years, etc.

Termination of Financial Assistance

In addition to the typical reasons why a Board may act to terminate financial assistance such as, closure, change of use, change of ownership, etc., a Board may elect to terminate any ongoing financial assistance to a company. Reasons for termination should be explicit and may include continued non-compliance with a Material Factor, continued violation of the terms and conditions of the Project Agreement, failure to comply with ongoing reporting or compliance requirements of the agency, and an action by the Board to recapture financial assistance shall be accompanied by a termination of ongoing financial assistance.

Recapture of Financial Assistance

The Board may take action to recapture a portion or all of the financial assistance provided to a company. Actions to recapture shall be made by decision of the Board and shall be reserved for continued and/or severe violations of Material Factors or the terms and conditions of the Project Agreement. An event leading to recapture may include an applicant knowingly providing false information on an application or a compliance/ monitoring report; the Board finds that the company did not make a good faith effort or have any intention of meeting a Material Factor or a term and condition of the Project Agreement; the company ceases operations and/or relocates prior to fulfilling the length of term for a Material Factor: or the company demonstrates a wanton disregard for state and or local laws or regulations.

In the event the agency is successful in receiving recaptured financial assistance, such funds shall be returned to the appropriate affected taxing jurisdictions, unless otherwise agreed upon by the local taxing jurisdiction.

EXHIBIT B

Workforce Policy means the Agency's Putnam County First Workforce Policy adopted April 16, 2024, as may be amended, supplemented or restated from time to time.

Putnam County Industrial Development Agency
2 Route 164
Patterson, NY 12563
(o) 845 808-1031 www.putnamida.com

PUTNAM COUNTY FIRST POLICY

It is the policy of the Putnam County Industrial Development Agency to strongly encourage Project Applicants to support PUTNAM COUNTY FIRST and the Mid-Hudson Valley Region. This means that to the greatest extent possible Project Applicants shall purchase goods and services from Putnam County and Mid-Hudson Valley based providers, businesses, and vendors and that to the greatest extent possible all employment opportunities shall be provided to Putnam County residents first. The above Policy includes the construction and/or renovation phase of a project with respect to contractors used during this period. Project Applicants agree to implement and adhere to the Putnam County First Policy. Failure to comply with the Policy may result in the possible reduction, loss, or recapture of IDA benefits awarded to the Project Applicant and/or result in the Project Applicant becoming ineligible for consideration for new project applications. The purpose of this policy is to promote local labor, training, and career opportunities as well as compliance with, and the protection of, Putnam County and New York State tax dollars.

The Project Applicants that cannot comply "to the greatest extent possible" with this Policy must demonstrate and document its efforts in attempting to meet the Policy's goals. It should include an explanation of the actions undertaken to adhere to the Policy, obstacles encountered and any other relevant information. The Agency shall consider all relevant information in its determination of whether the Project Applicant has adequately addressed the objectives and goals of the Policy. This policy will be effective for applications submitted for consideration beginning with the April 16, 2024, IDA Board Meeting.

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Local Workforce Utilization, Job Creation and Career Training Policy

Construction jobs are vital to the overall employment opportunities in Putnam County, regardless of their duration. The Putnam County Industrial Development Agency (the "Agency") asserts that Project Applicants (the "Company"), as a condition to receiving Financial Assistance (including a sales tax exemption, mortgage recording tax exemption, real property tax abatement, bond proceeds, and/or any other type of financial relief) from the Agency, are required to utilize a qualified Workforce, as defined below, for all projects involving the construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (collectively, the "Project Site") and will be applied to all Projects with total costs of $5,000,000 and above.

A "Recipient" of financial relief means any person and/or company, corporation, contractor, developer, or subcontractor (of any tier) that receives Financial Relief.

"Financial Relief" means the issuance of any tax relief, bond proceeds, grant, or other financial relief provided to a Recipient.

Local Area Defined

For projects equal to or greater than $5,000,000 the Local Workforce Area is defined as individuals residing in the following Counties (collectively, the Mid-Hudson Valley or “Local Area”): Dutchess County, Orange County, Putnam County, Rockland County, Ulster County, and Westchester County.

Local Workforce Requirement

The goal is to have at least 30% of all project employees reside in Putnam County if qualified residents are available. Then the balance as follows: 40% of all project employees of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively the “Workers”) working on the Project Site must reside within the Local Workforce Area. Companies do not have to be local companies as defined herein but must employ local Workers residing within the Local Workforce Area to qualify under the 70% local Workforce criteria. The remaining 30% can be out of the workforce area to meet specialty and warranty needs for the project.

It is the goal of the IDA to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA projects, there are opportunities for veterans to gain both short-term and long-term careers in the construction industry.

It is the goal of the Putnam County IDA to create career opportunities with training within the County; therefore, on all jobs equal to or greater than $5,000,000, it will be required that the contractors performing work on site have a New York State Department of Labor registered apprentice program that has a 5-year average graduation rate of 40% or better. Every such contractor shall be required to provide documentation evidencing its registered apprentice program as well as its graduation rate.

Local Workforce Disclosure

To clarify the implementation of this policy and have a uniform and responsible implementation of this policy, all bid documents and responses thereto shall include a copy of this Policy Statement along with an acknowledgment from the applicant contractor that it shall abide by the terms thereof. Prior to receiving its IDA incentive award, the awarded contractor shall be provided with a copy of this policy and execute an acknowledgement that affirms its receipt of the policy and future adherence thereto. It will become the responsibility to have every contractor performing onsite work to also maintain onsite a copy of the signed policy.

Local Workforce Reporting Requirement

The Local Workforce criteria will be verified based on Certified Payrolls, which will include employee’s name, address, I-9 Verification Form and OSHA 30 Card. This information will be kept on site and be available for review by the IDA or its monitor upon request without notice.

In addition, the Agency, or its designated agents, shall have the right, during normal business hours, to examine and copy records of the Company and to perform spot checks of all Workers at the Project Site to verify compliance with the Local Workforce requirement throughout the construction period and upon normal operation of the business to ensure proper job creation for the local labor policy area.

Insurance Requirements on all Contractors and Subcontractors

To adequately protect the IDA from claims, all applicants are required to provide to the IDA's Executive Director or a duly appointed IDA monitor ("monitor") with the names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of State of New York Workers' Compensation Insurance, State of New York Disability Insurance, and General Liability Insurance of all contractors and their sub-tier contractors working on the Project. All applicants have a continuing obligation to provide this information to the IDA during Project construction.

MANDATED SAFETY TRAINING AND DRUG SCREENING POLICY COUNTY OF PUTNAM INDUSTRIAL DEVELOPMENT AGENCY

The County of Putnam Industrial Development Agency (IDA) was created for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Putnam County.

The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Putnam County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

In the best interests of promoting safe and healthful working conditions on Putnam County IDA Project sites all applicants are required to provide the following to the IDA's Executive Director or a duly appointed IDA monitor ("monitor"):

- proof of current OSHA 30 training certification (completed within the last five years and renewed every 5 years) for all construction workers performing work on the Project site;
- proof of a four (4) hour scaffold course/fall protection for all construction workers utilizing a scaffold on the IDA Project site; and
- proof that all construction workers working on the IDA Project site passed a drug screening test prior to their hiring.

Compliance Monitor and Enforcement

If the Agency staff determines that: (1) the Local Workforce Requirement is not being met; or (2) Agency Staff, upon use if its reasonable discretion, discovers or becomes aware of a compliance issue related to the Local Workforce Requirement, then a written warning delivered by Email and Certified Mail of said Local Workforce Requirement violation (the "Warning of Violation") shall be provided to the Company. The IDA has the right to investigate any complaint and the contractor being investigated shall cooperate in full or be subject to having its award revoked.

The Putnam County IDA Board has the right to appoint a monitor to each Project should it feel violations of IDA Policy have occurred. The applicant will reimburse the IDA for all costs related to the compliance monitor should the IDA feel it is appropriate to hire a firm for compliance. The Putnam County reserves the exclusive right to self-monitor and inspect any job without notice.

The IDA will issue a report on the findings of their compliance check at the next IDA meeting for public record.

The IDA will undertake the following steps:

1. Within 5 calendar days of the issuance of the report or, IDA site visit, will issue a written request to correct the condition. The violating applicant or contractor will have 10 calendar days to correct the violation and make the remedy known to the IDA in writing. The IDA reserves the right to take further steps to ensure the remedy has been implemented.

2. In the event there is a subsequent violation of the policy, the Executive Director shall bring such information to the IDA Board of Directors which may, in its discretion, take action to revoke IDA benefits.

3. The IDA shall have the right to appoint a monitor as necessary, and all parties have a duty to cooperate with the monitor.

4. The monitor shall issue a report to the Executive Director relative to compliance with this policy, who shall share such information with the IDA Board of Directors. If a second violation of the policy has occurred, or the violation is not remedied, the Executive Director shall notify the applicant in writingand give such contractor a second notice of warning of such violation and 5 calendar days to remedy it. In this event, the Executive Director shall bring such information to the IDA Board of Directors which may, in its discretion, take action to revoke or recapture IDA benefits awarded to the violating contractor.

If any person, entity Applicant, Contractor, or any subcontractor of any tier subject to the foregoing qualifications and conditions fails to comply with such stated qualifications and conditions with respect to work on the property for which relief has been granted, the Parties agree that such an event materially frustrates the public purpose for which the Financial Relief (and any certification or other form of approval that may have been granted by Putnam County) was intended to advance. In such an event, the Recipient of the Financial Relief may be subject to the following penalty schedule, and/or any other remedial action the IDA deems appropriate:

a. First Offense- the Recipient shall pay the IDA an amount equal to twenty-five percent (25%) of the total Financial Relief granted.

b. Second Offense- the Recipient shall pay the IDA an amount equal to fifty percent (50%) of the total Financial Relief granted.

c. Third Offense- the Financial Relief granted by the IDA shall be terminated upon written notice to the Recipient, and the Recipient shall pay to the IDA an amount equal to the total value of any Financial Relief that was received prior to the termination of the Financial Relief.

When required, the Putnam County IDA shall petition the appropriate state agency or body for revocation of the certification or approval and, upon such revocation, the Financial Relief provided to the Recipient shall be terminated and the Recipient shall pay the Putnam County IDA an amount equal to the value of the Financial Relief that was received prior to the termination of the Financial Relief.

The law, which becomes effective on January 1, 2022, extends prevailing wages to projects that previously both sides may have viewed as "private," where total project costs exceed $5,000,000 and where the project receives 30% or more of its total construction project costs from public funds.
Prior to the start of work all parties including sub-contractors (any tier) preforming work on site or employe, utilizing any portion of Putnam Counties IDA benefit. Will sign the Letter of Understanding. It will be the applicants' Construction Manager or General Contractors responsibility to have their sub-contractor, suppliers and or vendors sign a Letter of Understanding and furnish original copies to the Putnam County IDA and maintain copies on site for review when requested.

This Restated Policy is adopted on this 16th day of April 2024 and will take effect for any application initiated 45 days after May 5th, 2024.

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Local Workforce Utilization, Job Creation and Career Training Policy

Waiver Request

It is understood that at certain times, Workers residing within the Local Area may not be available with respect to a Project. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Utilization Requirement (the "Local Workforce Utilization Waiver Request") based on the following circumstances:

- Warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers.
- Specialized construction for which qualified Local Workforce Area workers are not available.
- Documented lack of workers meeting the Local Workforce Area requirement.

The Agency shall evaluate the Local Workforce Utilization Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

The foregoing terms have been read, reviewed, and understood by the Company and all appropriate personnel. The undersigned agrees and understands that the information contained herein must be transmitted and conveyed in a timely fashion to all applicable subcontractors, suppliers, and materialmen. Furthermore, the undersigned realizes and understands that failure to abide by the terms herein could result in the Agency revoking all or any portion of Financial Assistance, whether already received or to be received by the Company, as it deems reasonable in its sole discretion for any violation hereof.

____

Name of Company

____

Name:

____

Title

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Local Workforce Utilization, Job Creation and Career Training Policy

The request to secure a waiver for use of non-local workforce utilization must be received in writing from the applicant and must allow 60 days for processing and required due diligence.

Applicant Name: ________________________________

Contact: ______________________________________

Phone: ___________________ Fax: ___________________

Email: ____

Reason for Request

Warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers – **Explain**

Specialized construction for which qualified Local Workforce Area workers are not available - Explain

Significant cost differentials in bid prices whereby the use of local Workforce significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations – **Explain (provide copies of all bids)**

No local Workforce available to meet the Local Workforce Area requirement – **Explain**

Send completed form and attachments to: Putnam County IDA, 2 NY-164, Patterson, NY 12563

Applicant Signature: ________________________________

Number of Workers needing Waiver: _________________

Amount of Contract needing Waiver: _________________

Send Completed Form and Attachments to: Putnam County IDA, 2 NY-164, Patterson, NY 12563

EXHIBIT C

Workforce Letter of Understanding means the Agency's Putnam First Workforce Policy Letter of Understanding for project applicants/owners, contractors and subcontractors, or such other acknowledgment form as the Agency may require.

PUTNAM COUNTY IDA
INDUSTRIAL DEVELOPMENT AGENCY

Putnam County Industrial Development Agency
2 Route 164
Patterson, NY 12563
(o) 845 808-1031 **www.putnamida.com**

Putnam First Workforce Policy

Letter of Understanding

For Project Applicant/Owners, Contractors, and Subcontractors

I have read and understood the Putnam County IDA Workforce Policy. I further understand that violations and noncompliance could lead to sanctions and or the claw back of IDA Benefits and New York State Sales Tax Exemptions. The Putnam County First Goal is an integral part of the Putnam County IDA and its fiduciary responsibility to the Putnam County and New State Taxpayer. The purpose of this policy is to spur local industries, promote local workforce, and provide training opportunities to the coverage areas of the policy and create an infusion of commerce for local businesses.

Name: ________________________________

Signature: ________________________________

Title: ________________________________

Name of Company: ________________________________

Services Provided: ________________________________

Address: ________________________________

Phone: ________________________________

Email: ________________________________

Project Representative: ________________________________

Email: ________________________________

Phone: ________________________________