

BG WAREHOUSE LLC

and

TRENTON TECHNOLOGY, INC.

and

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY

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FIRST AMENDED AND RESTATED  
PAYMENT-IN-LIEU-OF-TAX AGREEMENT

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City of Utica Industrial Development Agency  
Extension of 2015 Real Estate Lease  
(BG Warehouse LLC Facility 2025 Project)

Oneida County, City of Utica, Utica City School District

Tax Account Nos.: **319.19-1-1.1**

**FIRST AMENDED AND RESTATED  
PAYMENT-IN-LIEU-OF-TAX AGREEMENT**

THIS FIRST AMENDED AND RESTATED PAYMENT-IN-LIEU-OF-TAX AGREEMENT, dated as of February 21, 2025, is by and among **BG WAREHOUSE LLC**, a New York limited liability company with offices at 2007 Beechgrove Place, Utica, New York 13501 (the "Company"), **TRENTON TECHNOLOGY, INC.**, a New York corporation with an address of 2007 Beechgrove Place, Utica, New York 13501 (the "Sublessee") and **CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at One Kennedy Plaza, Utica, New York 13502 (the "Agency").

W I T N E S S E T H:

WHEREAS, the Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law, Chapter 99 of the Consolidated Laws of New York, as amended, (the "Enabling Act"), and Chapter 710 of the Laws of 1981 of the State of New York, as amended, constituting Section 901 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of, among others, industrial facilities for the purpose of promoting, attracting and developing economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Company desires to renovate an existing 371,000± square foot industrial building (the "Improvements") located on a 21.81± acre parcel of land situated at 2007 Beechgrove Place, City of Utica, Oneida County, New York (the "Land") and acquire and install machinery and equipment in the Improvements (the "Equipment"), all for the purpose of upgrading and developing the Improvements for lease to manufacturing tenants, and to allow the Sublessee, the primary tenant, to expand and upgrade its operations for the purpose of providing high-end manufacturing, design, assembly, delivery and distribution of computer boards for high tech manufacturers (the Land, the Improvements and the Equipment referred to collectively as the "Facility" and the renovation and equipping of the Improvements referred to collectively as the "Project"); and

WHEREAS, the Company leases the Land and Improvements to the Agency pursuant to a Lease Agreement dated as of July 1, 2015 (the "Existing Lease Agreement") and the Agency leases the Land and Improvements back to the Company pursuant to a Leaseback Agreement dated as of July 1, 2015 (the "Existing Leaseback Agreement"); and

WHEREAS, the Company subleases a 186,295± square foot portion of the Facility to the Sublessee pursuant to a Sublease Agreement dated as of July 1, 2015 (the "Sublease Agreement"); and

WHEREAS, the Company and the Sublessee will amend the Sublease Agreement by way of a First Amendment to Sublease Agreement dated January 31, 2025 (the "First Sublease Amendment") such that the Sublessee will occupy an additional 80,000± square feet of the Facility as a result of the Company undertaking the Project; and

WHEREAS, the Company has heretofore, and intends to, sublease other portions of the Facility to other manufacturing tenants and has leased other portions of the Facility to tenants utilizing portions of the Facility for storage/distribution; and

WHEREAS, in order to induce the Company to develop the Facility, the Agency is willing to amend and restate the Existing Lease Agreement by acquiring an interest in the Land, Improvements and Equipment constituting the Facility pursuant to a First Amended and Restated Lease Agreement dated of even date herewith (the "Lease Agreement") and amend and restate the Existing Leaseback Agreement by leasing said Land, Improvements and Equipment back to the Company pursuant to the terms and conditions contained in a First Amended and Restated Leaseback Agreement (the "Leaseback Agreement") dated of even date herewith; and

WHEREAS, under the Sublease Agreement, the Sublessee is obligated to pay on behalf of the Company real property taxes and/or payments-in-lieu-of-taxes to the Taxing Jurisdictions assessed to the Facility; and

WHEREAS, the Agency has agreed to maintain and extend leasehold interest to the Facility in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Facility has been exempt from real property taxes, general property taxes, general school district taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Facility or the interest therein of the Company or the occupancy thereof by the Company commencing August 1, 2015, the taxable status date, (the "Exempt Taxes"), because the Agency has a leasehold interest in the Facility and the Facility is used for a purpose within the meaning of the applicable Constitutional and statutory provisions, including the Enabling Act, provided, however, such exemption does not extend to special assessments or ad valorem levies; and

WHEREAS, the Company and the Agency entered into a Payment-In-Lieu-of-Tax Agreement dated as of June 1, 2015 (the "Existing PILOT Agreement") pursuant to which the Company has been paying Exempt Taxes relating to the Land and Improvements; and

WHEREAS, the Company understands that it, as lessee of the Facility leased by the Agency, will, in fact, continue to have Exempt Taxes to pay under the provisions of the Leaseback Agreement from the first date of the Exemption Term (as that date is determined by the parties and described herein) through the term of the Leaseback Agreement (the "Exemption Term"); and

WHEREAS, each year of the Exemption Term is more particularly set forth on Schedule B attached hereto (each year being referred to as an "Exemption Year"); and

WHEREAS, the Agency, the Company and the Sublessee deem it necessary and proper to amend and restate the Existing PILOT Agreement to make new provision for payments-in-lieu-of-taxes and such assessments by the Company and/or the Sublessee to the City of Utica, or any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is or may be, wholly or partially located, Oneida County, Utica City School District and appropriate special districts (hereinafter each a "Taxing Authority" and collectively the "Taxing Authorities") in which any part of the Facility is or is to be located; and

WHEREAS, the PILOT Payments (as defined below) represent a deviation from the Agency's Uniform Tax Exemption Policy (the "Policy"); and

WHEREAS, pursuant to Section 874 of the Act, the Agency sent a copy of the inducement resolution to the chief executive officer of each Taxing Authority providing a description of the PILOT Payments, the Agency's reasons for deviating from the Policy as well as the time and location of the public hearing and the meeting during which the Agency would consider a resolution approving the deviation from its Policy and the PILOT Payments; and

WHEREAS, all defined terms herein as indicated by the capitalization of the first letter thereof and not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Leaseback Agreement.

NOW, THEREFORE, to provide for certain payments to the Taxing Authorities, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The Company and/or the Sublessee shall pay to each Taxing Authority:

(a) all taxes that are due with respect to the Facility prior to the Exemption Term, no later than the last day during which such payments may be made without penalty; and

(b) all special assessments and ad valorem taxes coming due and payable during the term of the Lease Agreement and the Leaseback Agreement for which the Facility is not exempt, no later than the last day during which such payments may be made without penalty.

2. (a) The Company and/or the Sublessee shall pay an amount in lieu of the Exempt Taxes (the "PILOT Payments") during each Exemption Year as follows:

(i) From the first through and including the tenth Exemption Year: a fixed sum of seventy-five thousand dollars (\$75,000.00); and

(ii) From the eleventh through and including the fifteenth Exemption Year: a fixed sum of one hundred twenty-five thousand dollars (\$125,000.00)

(iii) After the fifteenth Exemption Year: one hundred percent (100%) of Exempt Taxes.

Each PILOT Payment shall be allocated among each Taxing Authority as set forth on Schedule A attached hereto and made a part hereof in the same proportion as taxes would have been allocated but for the Agency's involvement, unless the Taxing Authorities have consented in writing to a specific allocation (For the purposes of apportioning the credit, each Taxing Authority shall use the tax rate for the prior Exemption Year).

(b) Anything herein to the contrary, notwithstanding, this Agreement shall terminate on the date on which the Leaseback Agreement shall terminate and the Agency shall terminate its leasehold interest in the Facility pursuant to the Leaseback Agreement.

(c) Anything herein to the contrary, notwithstanding, upon the failure of the Company in making any payment when due hereunder and upon failure to cure such default within thirty (30) days after receipt of notice as herein provided, shall constitute an Event of Default under Section 7.1(a)(vi) of the Leaseback Agreement, and the Agency may take any one or all remedial steps afforded it in Section 7.2 of the Leaseback Agreement; provided, however, nothing herein contained shall be deemed to limit any other rights and remedies the Agency may have hereunder or under any other Transaction Document.

(d) The financial assistance contained in this PILOT Agreement is conditioned upon the Company or the Sublessee meeting the Employment Obligation (as defined in the Leaseback Agreement). Failure to meet the Employment Obligation may subject the Company to recapture under the Leaseback Agreement.

3. The Company and/or the Sublessee will make PILOT Payments to each Taxing Authority hereunder for each Exemption Year by making the required payment to such Taxing Authority no later than the last day during which such Exempt Taxes could otherwise be made without penalty as if the Agency did not have a leasehold or other interest in the Facility. PILOT Payments that are delinquent under this Agreement shall be subject to a late penalty of five percent (5%) of the amount due which shall be paid by the Company to the affected Taxing Authority at the time the PILOT Payment is paid. For each month, or part thereof, that the PILOT Payment is delinquent beyond the first month, interest shall accrue to and be paid to the affected Taxing Authority on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made. Anything herein to the contrary, notwithstanding, upon the failure of the Company in making any payment (or causing any payment to be made) when due hereunder and upon failure to cure such default within thirty (30) days after receipt of notice as herein provided, the Agency shall have the right to terminate the Leaseback Agreement and this PILOT Agreement, and the Company shall henceforth pay one hundred (100%) percent of the Exempt Taxes, together with all costs of collection, including but not limited to reasonable attorneys' fees. Nothing herein contained shall be deemed to limit any other rights and remedies the Agency may have hereunder or under any other Transaction Document.

4. The PILOT Payments to be made by the Company and/or the Sublessee pursuant to this Agreement are intended to be in lieu of all Exempt Taxes that would have to be paid on the Facility leased to the Company by the Leaseback Agreement if the Agency did not have a leasehold or other interest in the Facility.

5. If by reason of a change in the Constitution or laws of the State of New York, or an interpretation of the Constitution or the laws of the State of New York by the Court of Appeals (or such lower court from which the time to appeal has expired) of the State of New York, or for any other reason, the Company and/or the Sublessee is required to pay any tax which the payments specified herein are intended to be in lieu of, the Company and/or the Sublessee may deduct the aggregate of any such payments made by it from the amount herein agreed to be paid in lieu of such taxes and need only pay the difference. Furthermore, inasmuch as the PILOT Payments herein agreed to be made by the Company and/or the Sublessee are intended to be in lieu of all Exempt Taxes, it is agreed that said payments shall not, as to any Exemption Year, be in an amount greater than would be payable for such year for such Exempt Taxes, in the aggregate, by a private corporation on account of its ownership of the Facility.

6. This Agreement shall be binding upon the successors and assigns of the parties.

7. It is the intent of the parties that the Company and/or the Sublessee will have all the rights and remedies of a taxpayer with respect to any real property or other tax, service charge, special benefit, ad valorem levy, assessment or special

assessment or service charge because of which, or in lieu of which, the Company is obligated to make a payment hereunder, to the same extent as if the Agency did not have a leasehold or other interest in the Facility. It is the further intent of the parties that the Company and/or the Sublessee will have all of the rights and remedies of a taxpayer to the same extent as if the Agency did not have a leasehold or other interest in the Facility with respect to any proposed assessment or change in assessment concerning the property, or any portion thereof, whether through an assessor, board of assessment review, court of law, or otherwise and likewise will be entitled to protest before and be heard by such assessor, board of assessment review, court of law or otherwise and will be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any taxes that would have been payable but for the provisions hereof. If the Company intends to file a petition to change the assessment of the Facility it must first provide at least forty-five (45) days advance written notice to the Agency and to each Taxing Authority in accordance with Chapter 799 of the Laws of 2022. The Company shall notify the Agency of the outcome of any such proceedings and the Agency reserves the right, in its sole discretion, to determine whether it is appropriate to amend this PILOT Agreement to preserve the original intention of the provision of financial assistance. In the event, however, that a court of competent jurisdiction shall enter an order or judgment determining or declaring that, by reason of the Agency's interest in the Facility, the Company and/or the Sublessee does not have the right to bring a proceeding to review such assessment under the Real Property Tax Law or any other law, then the Company and/or the Sublessee shall have the right to contest such assessment in the name and as the agent of the Agency, and the Agency agrees to cooperate with the Company and/or the Sublessee in all respects in any such proceeding at the sole cost and expense of the Company and/or the Sublessee. The Company hereby unconditionally and irrevocably waives its rights, if any, to apply for and/or receive the benefit of, any other real property tax exemption including, without limitation, any real property tax exemptions that may be available under Section 485-b and Section 485-e of the Real Property Tax Law for so long as the PILOT Agreement is in effect. Notwithstanding anything herein to the contrary, for so long as this Agreement is in effect, the Company shall not consolidate any other tax parcels into the tax parcels that are the subject of this Agreement, without the prior written consent of the Agency in each instance.

8. All amounts payable by the Company and/or the Sublessee hereunder will be paid to the respective Taxing Authority and will be payable in such lawful money of the United States of America as at the time of payment is legal tender for the payment of public and private debts, including a check payable in such money.

9. (a) If any term or provision hereof should be for any reason held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such term or provision will be deemed separate and independent and the remainder hereof will remain in full force and effect and will not be invalidated, impaired or otherwise affected by such holding or adjudication.

(c) All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given (i) when mailed by United States registered or certified mail, postage prepaid, return receipt requested or (ii) when delivered by a commercial overnight courier that guarantees next day delivery and provides a receipt, to the Agency, the Company or the Sublessee, as the case may be, addressed as follows:

To the Agency: City of Utica Industrial Development Agency  
One Kennedy Plaza  
Utica, New York 13502  
Attn.: Executive Director

With a Copy To: Bond, Schoeneck & King, PLLC  
501 Main Street  
Utica, New York 13501  
Attn.: Linda E. Romano, Esq.

To the Company: BG Warehouse LLC  
2007 Beechgrove Place  
Utica, New York 13501  
Attn.: Albert S. Mazloom, Manager,  
and David Mazloom, Manager

With a Copy To: Kowalczyk Law Firm, LLP  
185 Genesee Street, 12<sup>th</sup> Floor  
Utica, New York 13501  
Attn.: Andrew S. Kowalczyk III, Esq.

To the Sublessee: Trenton Technology, Inc.  
2007 Beechgrove Place  
Utica, New York 13501  
Attn.: Albert S. Mazloom, Chief Executive Officer

With a Copy To: Kowalczyk Law Firm, LLP  
185 Genesee Street, 12<sup>th</sup> Floor  
Utica, New York 13501  
Attn.: Andrew S. Kowalczyk III, Esq.

provided, that the Agency, the Company or the Sublessee may, by notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

(e) This Agreement shall be governed by and construed in accordance with the laws of the State of New York.



provided, that the Agency, the Company or the Sublessee may, by notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

(e) This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(f) This Agreement shall supersede in its entirety the Existing PILOT Agreement, effective immediately.

IN WITNESS WHEREOF, the parties have executed this **First Amended and Restated PILOT Agreement** as of the date first above written.

BG WAREHOUSE LLC

By:   
Name: David Mazloom  
Title: Manager

STATE OF NEW YORK        )  
  : ss.:  
COUNTY OF ONEIDA        )

On the 20 day of February 2025 before me, the undersigned a notary public in and for said state, personally appeared **David Mazloom**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

ANDREW S. KOWALCZYK, III  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 02KO4782128  
Qualified in Oneida County  
My Commission Expires 05-31-20 27

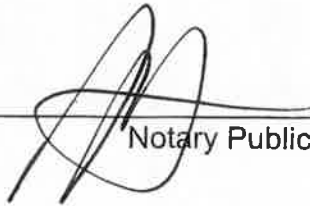
SECOND SIGNATURE PAGE TO FIRST AMENDED AND RESTATED  
PILOT AGREEMENT (BG WAREHOUSE LLC FACILITY)

TRENTON TECHNOLOGY, INC.

By: Albert S. Mazloom  
Name: Albert S. Mazloom  
Title: Chief Executive Officer

STATE OF NEW YORK        )  
                                      : ss.:  
COUNTY OF ONEIDA        )

On the 20 day of February 2025 before me, the undersigned a notary public in and for said state, personally appeared **Albert S. Mazloom**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

ANDREW S. KOWALCZYK, III  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 02KO4782128  
Qualified in Oneida County  
My Commission Expires 05-31-20 21

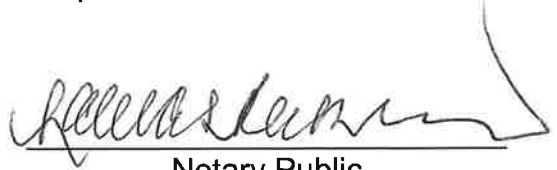
THIRD SIGNATURE PAGE TO FIRST AMENDED AND RESTATED  
PILOT AGREEMENT (BG WAREHOUSE LLC FACILITY)

CITY OF UTICA INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Name: Vincent J. Gilroy, Jr.  
Title: Chairman

STATE OF NEW YORK            )  
  : ss.:  
COUNTY OF ONEIDA         )

On the 19<sup>th</sup> day of February 2025 before me, the undersigned a notary public in and for said state, personally appeared **Vincent J. Gilroy, Jr.**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
Notary Public



**SCHEDULE A**

COUNTY OF ONEIDA  
Receiver of Taxes  
800 Park Avenue  
Utica, New York 13501

CITY OF UTICA  
Receiver of Taxes  
One Kennedy Plaza  
Utica, New York 13502  
Attn.: City Treasurer

UTICA CITY SCHOOL DISTRICT  
Receiver of Taxes  
929 York Street  
Utica, New York 13501  
Attn.: District Treasurer

## SCHEDULE B

### EXEMPTION YEARS

<b>Exemption Year (Assessment Roll Year)</b>	<b>County Taxes</b>	<b>City Taxes</b>	<b>School Taxes</b>
Year One (08/01/2015)	01/01/2016 – 12/31/2016	04/01/2016 – 03/31/2017	07/01/2016 – 06/30/2017
Year Two (08/01/2016)	01/01/2017 – 12/31/2017	04/01/2017 – 03/31/2018	07/01/2017 – 06/30/2018
Year Three (08/01/2017)	01/01/2018 – 12/31/2018	04/01/2018 – 03/31/2019	07/01/2018 – 06/30/2019
Year Four (08/01/2018)	01/01/2019 – 12/31/2019	04/01/2019 – 03/31/2020	07/01/2019 – 06/30/2020
Year Five (08/01/2019)	01/01/2020 – 12/31/2020	04/01/2020 – 03/31/2021	07/01/2020 – 06/30/2021
Year Six (08/01/2020)	01/01/2021 – 12/31/2021	04/01/2021 – 03/31/2022	07/01/2021 – 06/30/2022
Year Seven (08/01/2021)	01/01/2022 – 12/31/2022	04/01/2022 – 03/31/2023	07/01/2022 – 06/30/2023
Year Eight (08/01/2022)	01/01/2023 – 12/31/2023	04/01/2023 – 03/31/2024	07/01/2023 – 06/30/2024
Year Nine (08/01/2023)	01/01/2024 – 12/31/2024	04/01/2024 – 03/31/2025	07/01/2024 – 06/30/2025
Year Ten (03/01/2024)	01/01/2025 – 12/31/2025	04/01/2025 – 03/31/2026	07/01/2025 – 06/30/2026
Year Eleven (03/01/2025)	01/01/2026 – 12/31/2026	04/01/2026 – 03/31/2027	07/01/2026 – 06/30/2027
Year Twelve (03/01/2026)	01/01/2027 – 12/31/2027	04/01/2027 – 03/31/2028	07/01/2027 – 06/30/2028
Year Thirteen (03/01/2027)	01/01/2028 – 12/31/2028	04/01/2028 – 03/31/2029	07/01/2028 – 06/30/2029
Year Fourteen (03/01/2028)	01/01/2029 – 12/31/2029	04/01/2029 – 03/31/2030	07/01/2029 – 06/30/2030
Year Fifteen (03/01/2029)	01/01/2030 – 12/31/2030	04/01/2030 – 03/31/2031	07/01/2030 – 06/30/2031

**Note:** The above schedule of exemption years does not take into account the change in taxable status date effective March 1, 2023. For the purposes of continuity of PILOT Payments from the Existing PILOT Agreement, the tax jurisdictions will continue to bill PILOT Payments until the Company has received the benefit of a total of fifteen years of reduced taxes for each tax jurisdiction.