
CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

C'VILLE, LLC

PAYMENT IN LIEU OF TAX AGREEMENT

DATED SEPTEMBER 1, 2025

RELATING TO THE PREMISES LOCATED AT 3114 -
3168 BYRNE HOLLOW CROSSING AND OSBECK LANE
IN THE TOWN OF CORTLANDVILLE, CORTLAND
COUNTY, NEW YORK

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PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT dated September 1, 2025 (the "Payment in Lieu of Tax Agreement") by and between CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 40 Main Street, Suite A, Cortland, New York 13045 (the "Agency") and C'VILLE, LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 2394 US Route 11, Lafayette, New York (the "Company");

WITNESSETH

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment, deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell any or all of its projects, to charge and collect rent or the purchase price therefore; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 77 of the Laws of 1974 of the State (collectively with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, WHEREAS, by resolution adopted by the members of the Agency on July 14, 2025 (the "Preliminary Inducement Resolution") pursuant to which the Agency agreed to accept an application (the "Application") from the Company and further agreed, subject to numerous conditions, to consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in a ± 22.5 acre parcel of land (the "Land") located at 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane in the Town of Cortlandville, Cortland County, New York, (2) construction on the Land of an

expansion to the existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations (the "Facility"), and (3) the acquisition and installation therein and thereon of fixtures and equipment comprising the Facility (the "Equipment"), all of the foregoing to constitute a dairy manufacturing facility to be operated by the Company or affiliated entities (the Land, Facility and Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the Preliminary Inducement Resolution the Executive Director of the Agency (A) caused notice of a public hearing of the Agency to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project (the "Public Hearing") to be published on July 14, 2025 in the Cortland Standard, a newspaper of general circulation available to residents of the County of Cortland, (B) caused notice of the Public Hearing to be mailed on July 14, 2025, together with notice, if any, that the Agency intends to deviate from its uniform tax exemption policy and which included the Agency's Preliminary Inducement Resolution, by certified mail return receipt requested to the chief executive officer of the county and of each city, town, village and school district, as well as the school district clerk, in which the Project is to be located (C) conducted the Public Hearing on July 24, 2025 at 10:00 o'clock a.m. local time in the Town Court room at The Raymond G. Thorpe Municipal Building, 3577 Terrace Road, Cortland, New York 13045, located in the Town of Cortlandville, Cortland County, New York, (D) prepared a report of the Public Hearing which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency (the "Report"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on July 14, 2025 (the "SEQR Resolution"), the Agency has determined that a coordinated SEQRA review of the Project was undertaken by the Town of Cortlandville Planning Board (the "Planning Board") acting as lead agency and, on or about June 24, 2025, the Planning Board determined that the Project would not cause a significant adverse environmental impact and no determination of significance will be issued by the Agency and no further SEQRA review of the Project is required by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on July 28, 2025 (the "Final Inducement Resolution"), the Agency determined, following review of the Report, to finalize the preliminary determination made by the Agency in the Preliminary Inducement Resolution to proceed with the Project; and

WHEREAS by resolution adopted by the members of the Agency on July 28, 2025 (the "Approving Resolution"), the Agency determined to grant the Financial Assistance and to enter into a Uniform Project and Lease Agreement (the "Lease Agreement") between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the "Basic Documents"); and

WHEREAS, pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project facility to the Company for a lease term ending on the earlier to occur of (1) January 31, 2042 or (2) the date on which the Lease Agreement is terminated pursuant to the termination provisions thereof. The Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the "Closing"), (A) the Company will execute and deliver to the Agency (1) a certain lease to agency dated September 1, 2025 (the "Underlying Lease"), pursuant to which the Company leases to the Agency the Land under the Facility (the "Facility Parcel") for a lease term ending on the earlier to occur of (a) January 31, 2042 or (b) the date on which the Lease Agreement is terminated pursuant to the termination provisions thereof, and (2) a bill of sale dated September 1, 2025 (the "Bill of Sale to Agency"), from the Company to the Agency, pursuant to which the Company will convey to the Agency its interest in the portion of the Project Facility constituting the Equipment, fixtures and other personal property, (B) the Company and the Agency will execute and deliver a payment in lieu of tax agreement dated September 1, 2025 (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Facility Parcel and the Facility, and (C) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Facility Parcel and the Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Facility Parcel and the Facility and the Payment in Lieu of Tax Agreement will be mailed by the Agency to the assessor and the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act); and

WHEREAS, pursuant to the terms set forth in the Lease Agreement, the Agency will obtain a leasehold interest in the Facility Parcel, which Facility Parcel is more fully described on Exhibit "A" attached hereto; and

WHEREAS, pursuant to the Lease Agreement, the Agency proposes to construct the Facility on the Facility Parcel (the Facility Parcel and the Facility being sometimes collectively referred to as the "Facility Premises"); and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the "Real Property Tax Law"), the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, pursuant to the provisions of Section 6.6 of the Lease Agreement, the Company has agreed to make payments in lieu of taxes (A) with respect to the Facility Premises in an amount equivalent to normal taxes and (B) with respect to the balance of the Project Facility in an amount equivalent to normal taxes; provided that, so long as this Payment in Lieu of Tax Agreement shall be in effect, the Company shall during the term of this Payment in Lieu of Tax Agreement make payments in lieu of taxes with respect to the Facility Premises in the amounts and in the manner provided in this Payment in Lieu of Tax Agreement, and during such period the provisions of Section 6.6 of the Lease Agreement shall not control the amounts due as payment in lieu of taxes with respect to the Facility Premises; and

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

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I REPRESENTATIONS AND WARRANTIES

SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY. The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of New York and has the power under the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement, and by proper action of its managers (and members, if necessary) has been duly authorized to execute, deliver and perform this Payment in Lieu of Tax Agreement.

(B) Authorization. The Company is authorized and has the power under its articles of organization, operating agreement and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to

perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper action of its members, the Company has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Company is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by (and the execution, delivery and performance of this Payment in Lieu of Tax Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Payment in Lieu of Tax Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its articles of organization or operating agreement or any other corporate restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which the Company or any of its property is bound, and neither the Company's entering into this Payment in Lieu of Tax Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Payment in Lieu of Tax Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) Governmental Consents. No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Payment in Lieu of Tax Agreement by the Company or as a condition to the validity of this Payment in Lieu of Tax Agreement.

SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY. The Agency does hereby represent, warrant and covenant as follows:

(A) Power. The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State of New York to enter into the transactions contemplated by this Payment in Lieu of Tax Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement hereunder.

(B) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

**ARTICLE II
COVENANTS AND AGREEMENTS**

SECTION 2.01. TAX-EXEMPT STATUS OF THE FACILITY PREMISES. (A) Assessment of the Facility Premises. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of a leasehold interest in the Facility Premises by the Agency and the filing by the Agency of a New York State Department of Taxation and Finance Office of Real Property Services Form RP-412-a with respect to the Facility Premises, and for so long thereafter as the Agency shall have an interest in the Facility Premises, the Facility Premises shall be assessed by the various taxing entities having jurisdiction over the Facility Premises, including, without limitation, any county, city, school district, town, village or other political unit or units wherein the Facility Premises is located (such taxing entities being sometimes collectively hereinafter referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually hereinafter referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Agency of the leasehold interest in the Facility Premises created by the Underlying Lease and the filing of the Real Property Tax Exemption Form. The Company shall, promptly, following acquisition by the Agency of the leasehold interest in the Facility Premises created by the Underlying Lease, take such action as may be necessary to ensure that the Facility Premises shall be assessed as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Agency, including ensuring that a Real Property Tax Exemption Form shall be filed with the appropriate officer or officers of each respective Taxing Entity responsible for assessing properties on behalf of each such Taxing Entity (each such officer being hereinafter referred to as an "Assessor"). For so long thereafter as the Agency shall own such leasehold interest in the Facility Premises, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The parties hereto understand that the Facility Premises

shall not be entitled to such tax-exempt status on the tax rolls of any Taxing Entity until the first tax year of such Taxing Entity following the tax status date of such Taxing Entity occurring subsequent to the date upon which the Agency becomes the owner of record of such leasehold interest in the Facility Premises and the Real Property Tax Exemption Form is filed. Pursuant to the provisions of the Lease Agreement, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Facility Premises, including taxes and assessments levied for the current tax year and all subsequent tax years until the Facility Premises shall be entitled to exempt status on the tax rolls of the respective Taxing Entities. The Agency will cooperate with the Company to obtain and preserve the tax-exempt status of the Facility Premises.

(B) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does **not** entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement, the Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Facility Premises.

SECTION 2.02. PAYMENTS IN LIEU OF TAXES. (A) Agreement to Make Payments. The Company agrees that it shall make annual payments in lieu of property taxes in the amounts hereinafter provided to the respective Taxing Entities entitled to receive same pursuant to the provisions hereof. The Company also agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The payments due hereunder shall be paid by the Company to the respective appropriate officer or officers of the respective Taxing Entities charged with receiving payments of taxes for such Taxing Entities (such officers being collectively hereinafter referred to as the "Receivers of Taxes") for distribution by the Receivers of Taxes to the appropriate Taxing Entities entitled to same pursuant to the provisions hereof.

(B) Valuation of the Facility Premises. (1) The value of the Facility Premises for purposes of determining payments in lieu of taxes due hereunder ("Discounted Assessed Value") shall be a percentage of the assessed value of the Facility Premises as determined by the appropriate Assessor in the ordinary course of business and in accordance with law ("Assessed Value") as such percentages are set forth below. The Company shall be entitled to written notice of the determination of the Assessed Value from the appropriate Assessors and of any change thereof in accordance with law.

(2) If the Company is dissatisfied with the amount of the Assessed Value of the Facility Premises as initially established or as thereafter changed, the Company shall have all rights and remedies under the laws of the State of New York to challenge the Assessed Value.

(3) Discounted Assessed Value. To determine the payments in lieu of taxes due hereunder, the Assessed Value shall be multiplied by the following percentages to determine the Discounted Assessed Value for each respective year of the term of this Agreement:

Year 1:	No Discount-Payments Calculated Using Assessed Value
Years 2 - 6:	60%
Years 7 - 11:	50%
Years 12 - 16:	40%

(C) Amount of Payments in Lieu of Taxes. The payments in lieu of taxes to be paid by the Company to the Receivers of Taxes annually on behalf of each Taxing Entity pursuant to the terms of this Payment in Lieu of Tax Agreement shall be computed separately for each Taxing Entity as follows:

(1) By multiplying (a) the Discounted Assessed Value of the Facility Premises determined pursuant to Subsection (B) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to the Facility Premises if the Facility Premises was owned by the Company and not the Agency (the "PILOT Payment").

(2) Except as provided in paragraph (3) below, in each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Facility Premises shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal the PILOT Payment.

(3) The parties recognize that the purpose of the Project is to create or retain permanent private sector jobs in Cortland County. Accordingly, the parties have agreed that the amount of payments in lieu of taxes payable with respect to the Project Facility shall bear a direct relationship to the success or lack of success of the Project in achieving this goal. Therefore, on or before November 1 of each calendar year during the term of this Payment in Lieu of Tax Agreement, the Company shall file with the Agency an affidavit indicating the average number of full time equivalent employees (35 hours per week equaling one full time equivalent employee ("FTE") employed by the Company at the Project Facility during the preceding twelve (12) month period). If the Company fails to file such an affidavit with the Agency on or before November 1 of a calendar year, then the Agency shall be entitled to assume that the Company employed less than 20% of the minimum required employees during such period, the minimum required employees being:

Year 1 of Exemption:

No Employment Reporting Required.

Year 2 of Exemption:

The minimum average number of full-time equivalent employees employed at the Project Facility during the preceding twelve (12) month period shall be Six (6).

Year 3 and thereafter of Exemption:

The minimum average number of full-time equivalent employees employed at the Project Facility during the preceding twelve (12) month period shall be One Hundred (100).

If in any year during the term of this Agreement the Company fails to maintain at least 80% of the then minimum average number of full-time equivalent employees employed at the Project Facility during the preceding twelve (12) month period, the payment required to be made by the Company during the then applicable tax year shall be the lesser of (1) the PILOT Payment divided by a fraction the numerator of which is the average number of full time equivalent employees at the Project Facility for such prior year and the denominator of which is the minimum FTE requirement for the applicable year or (2) the amount that would be payable if the Project Facility were owned by the Company and not leased to the Agency.

(D) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Facility Premises or any portion thereof or any additional building or other structure shall be constructed on the Facility Parcel (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities") the Company agrees to make additional annual payments in lieu of property taxes (such additional payments being hereinafter collectively referred to as "Additional Payments") to the Receivers of Taxes with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Taxing Entity if such Additional Facilities were owned by the Company and not the Agency as follows: (a) multiply the Additional Assessed Value (as hereinafter defined) of such Additional Facilities determined pursuant to subsection (E) of this Section 2.02 by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and not the Agency.

(2) In each fiscal tax year during the term of this Payment in Lieu of Tax Agreement (commencing in the fiscal tax year when such Additional Facilities would first appear on the assessment roll of any Taxing Entity) if such Additional Facilities were owned by the Company and not the Agency, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to such Additional Facilities for such fiscal tax year

(unless the Agency and the Company shall enter into a separate written agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written agreement shall control).

(E) Valuation of Additional Facilities. (1) The value of Additional Facilities for purposes of determining payments in lieu of taxes due under Section 2.02(D) hereof shall be determined by the Assessors of each respective Taxing Entity. The parties hereto agree that the Assessors shall (a) appraise the Additional Facilities in the same manner as other similar properties in the general area of the Facility Premises, and (b) place a value for assessment purposes (hereinafter referred to as the "Additional Assessed Value") upon the Additional Facilities, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Additional Assessed Value and of any change in such Additional Assessed Value.

(2) If the Company is dissatisfied with the amount of the Additional Assessed Value of the Additional Facilities as initially established or as changed, the Company shall have all rights and remedies under the laws of the State of New York to challenge such other assessed value. Any payments in lieu of taxes due upon such Additional Facilities pursuant to Section 2.02(D) hereof may not be withheld by the Company pending determination of the Additional Assessed Value.

(F) Statements. Pursuant to Section 858(15) of the Act, the Agency agrees to give each Taxing Entity a copy of this Payment in Lieu of Tax Agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy hereof be given to the appropriate officer or officers of the respective Taxing Entities responsible for preparing the tax rolls for said Tax Entities (each, a "Tax Billing Officer") and a request that said Tax Billing Officers submit to the Company and to the appropriate Receiver of Taxes periodic statements specifying the amount and due date or dates of the payments due each Taxing Entity hereunder, such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such Taxing Entities.

(G) Time of Payments. The Company agrees to pay the amounts due hereunder to each particular Taxing Entity in any fiscal tax year to the appropriate Receiver of Taxes within the period that such Taxing Entity allows payment of taxes levied in such fiscal tax year without penalty. The Company shall be entitled to receive receipts for such payments.

(H) Method of Payment. All payments by the Company hereunder shall be paid to the Receivers of Taxes in lawful money of the United States of America. The Receivers of Taxes shall in turn distribute the amounts so paid to the various Taxing Entities entitled to same.

SECTION 2.03. CREDIT FOR TAXES PAID. (A) Amount of Credit. The parties hereto acknowledge and agree that the obligation of the Company to make the payments provided in Section 2.02 of this Payment in Lieu of Tax Agreement shall be in addition to

any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under the Lease Agreement. It is understood and agreed, however, that should the Company pay in any fiscal tax year to any Taxing Entity any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Facility Premises or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, (1) sales and use taxes, and (2) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including but not limited to water, solid waste, sewage treatment or sewer or other rents, rates or charges), then the Company's obligation to make payments in lieu of property taxes attributed to such fiscal tax year to such Taxing Entity hereunder shall be reduced by the amounts which the Company shall have so paid to such Taxing Entity in such fiscal tax year, but there shall be no cumulative or retroactive credit as to any payment in lieu of property taxes due to any other Taxing Entity or as to any payment in lieu of property taxes due to such Taxing Entity in any other fiscal tax year.

(B) Method of Claiming Credits. If the Company desires to claim a credit against any particular payment in lieu of tax due hereunder, the Company shall give the governing body of the affected Taxing Entity and the Agency prior written notice of its intention to claim any credit pursuant to the provision of this Section 2.03, said notice to be given by the Company at least thirty (30) days prior to the date on which such payment in lieu of tax is due pursuant to the provisions of Section 2.02(G) hereof. In the event that the governing body of the appropriate Taxing Entity desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall meet the qualifications set forth in Section 2.02(B) hereof, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.03 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit. When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the extent of the credit claimed by the Company, but only to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.03) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable and shall be paid by the Company within thirty (30) days of said decision.

SECTION 2.04. LATE PAYMENTS. (A) First Month. Pursuant to Section 874(5) of the Act, if the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due, the Company shall pay the same, together with a late payment penalty equal to five percent (5%) of the amount due.

(B) Thereafter. If the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the affected Taxing Entity until such payment in default shall have been made in full, and the Company shall pay the same to the affected Taxing Entity together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the greater of (a) one percent (1%) per month, or (b) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full.

ARTICLE III LIMITED OBLIGATION

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE AGENCY. (A) No Recourse. All obligations, covenants, and agreements of the Agency contained in this Payment in Lieu of Tax Agreement shall be deemed to be the obligations, covenants and agreements of the Agency and not of any member, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Payment in Lieu of Tax Agreement, or otherwise based upon or in respect of this Payment in Lieu of Tax Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Payment in Lieu of Tax Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement, it being expressly understood that this Payment in Lieu of Tax Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Payment in Lieu of Tax Agreement by the Agency.

(B) Limited Obligation. The obligations, covenants and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or Cortland County, New York, and neither the State of New York nor Cortland County, New York shall be liable thereon and, further, such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues

of the Agency derived and to be derived from the lease, sale or other disposition of the Facility Premises (except for revenues derived by the Agency with respect to the Unassigned Rights, as defined in the Lease Agreement).

(C) Further Limitation. Notwithstanding any provision of this Payment in Lieu of Tax Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity and an agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events shall constitute an event of default under this Payment in Lieu of Tax Agreement, and the terms "Event of Default" or "default" shall mean, whenever they are used in this Payment in Lieu of Tax Agreement, any one or more of the following events:

(A) Failure of the Company to pay any amount due and payable by the Company pursuant to this Payment in Lieu of Tax Agreement and continuance of said failure for a period of fifteen (15) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such thirty (30) day period and if the Company shall have commenced action to cure the breach of covenant, condition or agreement within said thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as the Company shall require in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days in the aggregate from the date of default; or

(C) Any warranty, representation or other statement by or on behalf of the Company contained in this Payment in Lieu of Tax Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Payment in Lieu of Tax Agreement and (1) shall be materially adverse to the Agency at the time when the notice referred to below shall have been given to the Company and (2) if curable, shall not have been cured within thirty (30) days after written

notice of such incorrectness shall have been given to a responsible officer of the Company, provided that if such correctness cannot reasonably be cured within said thirty-day period and the Company shall have commenced action to cure the incorrectness within said thirty-day period and, thereafter, diligently and expeditiously proceeds to cure the same, such thirty-day period shall be extended for so long as the Company shall require, in the exercise of due diligence, to cure such default.

SECTION 4.02. REMEDIES ON DEFAULT. (A) General. Whenever any Event of Default shall have occurred with respect to this Payment in Lieu of Tax Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Event of Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Payment in Lieu of Tax Agreement.

(B) Cross-Default. In addition, an Event of Default hereunder shall constitute an event of default under Article X of the Lease Agreement. Upon the occurrence of an Event of Default hereunder resulting from a failure of the Company to make any payment required hereunder, the Agency shall have, as a remedy therefor under the Lease Agreement, among other remedies, the right to terminate the Lease Agreement and convey the Project Facility to the Company, thus subjecting the Project Facility to immediate full taxation pursuant to Section 520 of the Real Property Tax Law of the State.

(C) Separate Suits. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises.

(D) Venue. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Payment in Lieu of Tax Agreement may be brought in the courts of record of the State, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

SECTION 4.03. PAYMENT OF ATTORNEYS' FEES AND EXPENSES. Pursuant to Section 874(6) of the Act, if the Company should default in performing any of its obligations, covenants or agreements under this Payment in Lieu of Tax Agreement and the Agency or any Taxing Entity should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Taxing Entity, as the case may be, not only the amounts adjudicated due hereunder, together with the late payment penalty and interest due thereon, but also the reasonable fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred, whether or not an action is commenced.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE. (A) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency or any Taxing Entity is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Payment in Lieu of Tax Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay. No delay or omission in exercising any right or Power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required. In order to entitle the Agency or any Taxing Entity to exercise any remedy reserved to it in this Payment in Lieu of Tax Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Payment in Lieu of Tax Agreement.

(D) No Waiver. In the event any provision contained in this Payment in Lieu of Tax Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Payment in Lieu of Tax Agreement shall be established by conduct, custom or course of dealing.

ARTICLE V MISCELLANEOUS

SECTION 5.01. TERM. (A) General. This Payment in Lieu of Tax Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Payment in Lieu of Tax Agreement by resolution of the Agency and the execution and delivery of this Payment in Lieu of Tax Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Payment in Lieu of Tax Agreement shall continue to remain in effect until the earlier to occur of (1) January 31, 2042 or (2) the date on which the Facility Premises is reconveyed by the Agency to the Company pursuant to the Lease Agreement.

(B) Extended Term. In the event that (1) the Facility Premises shall be reconveyed to the Company, (2) on the date on which the Company obtains the Agency's interest in the Facility Premises, the Facility Premises shall be assessed as exempt upon the assessment roll of any one or more of the Taxing Entities, and (3) the fact of obtaining the Agency's interest in the Facility Premises shall not immediately obligate the Company to make pro-rata tax payments pursuant to legislation similar to Chapter 635 of the 1978 Laws of the State (codified as subsection 3 of Section 302 of the Real Property Tax Law and Section 520 of the Real Property Tax Law), this Payment in Lieu of Tax Agreement shall remain in full force and effect and the Company shall be obligated to make payments to the Receiver of Taxes in amounts equal to those amounts which would be due from

the Company if the Facility Premises were owned by the Company and not the Agency until the first tax year in which the Company shall appear on the tax rolls of the various Taxing Entities having jurisdiction over the Facility Premises as the legal owner of record of the Project Facility.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Payment in Lieu of Tax Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. COMPANY ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENTS. This Payment in Lieu of Tax Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

SECTION 5.05. NOTICES. (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) sent to the applicable address stated below by United States registered or certified mail, postage prepaid, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) Notices Given by Taxing Entities. Notwithstanding the foregoing, notices of assessment or reassessment of the Project Facility and other notices given by a Taxing Entity under Article II hereof shall be sufficiently given and shall be deemed given when given by the Taxing Entity in the same manner in which similar notices are given to owners of taxable properties by such Taxing Entity.

(C) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

C'Ville, LLC
 2394 US Route 11
 P.O. Box 176
 LaFayette, New York 13084
 Attention: Carl V. Byrne, Manager

WITH A COPY TO:

James A. Gosier, General Counsel
Byrne Dairy, Inc.
2394 US Route 11
LaFayette, New York 13084

IF TO THE AGENCY:

Cortland County Industrial Development Agency
40 Main Street, Suite A
Cortland, New York 13045
Attention: Executive Director

WITH A COPY TO:

Hancock Estabrook, LLP
1800 AXA Tower I
100 Madison Street
Syracuse, New York 13202
Attn: John P. Sidd, Esq.

(D) Copies. A copy of any notice given hereunder by the Company which affects in any way a Taxing Entity shall also be given to the chief executive officer of such Taxing Entity.

(E) Change of Address. The Agency, the Company or any Taxing Entity may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

SECTION 5.06. BINDING EFFECT. This Payment in Lieu of Tax Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Payment in Lieu of Tax Agreement are intended to be for the benefit of the Agency and the respective Taxing Entities.

SECTION 5.07. SEVERABILITY. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Payment in Lieu of Tax Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Payment in Lieu of Tax Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 5.08. COUNTERPARTS. This Payment in Lieu of Tax Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5.09. APPLICABLE LAW. This Payment in Lieu of Tax Agreement shall be governed by and construed in accordance with the laws of the State of New York.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

CORTLAND COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Melanie Vilardi, Executive Director

C'VILLE, LLC
By: C'Ville Management, LLC

By: _____
Carl V. Byrne, Manager

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

CORTLAND COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Melanie Vilardi, Executive Director

C'VILLE, LLC
By: C'Ville Management, LLC

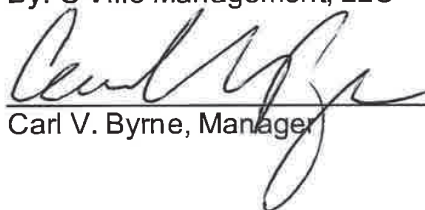
By:  _____
Carl V. Byrne, Manager

EXHIBIT "A"

(Attach a copy of the Description of Facility Parcel)

Pilot Area - Lots 8-11 and Part of Lots 12 & 13

ALL THAT CERTAIN PIECE OR PARCEL OF LAND situate in the Town of Cortlandville, County of Cortland, State of New York, being part of Military Lot No. 92 and being more particularly bounded and described as follows:

Being Lots 8-11 and Parts of Lots 12 & 13 as shown on the Subdivision Map for the Lands of Cortland County Industrial Development Agency, according to a map made December 17, 2009, last revised January 13, 2010, by C.T. Male Associates, P.C. and filed in the Cortland County Clerk's Office on January 21, 2010 as Instrument No. 2010-00423, being described as follows:

Commencing at a point in the southerly line of the Finger Lakes East Drive at the intersection of northerly line of New York State Route 13 (Dryden-Cortland, Part 2, S.H. No. 535); thence along the said southerly line of Finger Lakes East Drive, the following three (3) courses and distances: 1.) North 36 deg. 03 min. 26 sec. West a distance of 257.51 feet to a point of curvature; thence 2.) northwesterly along a curve to the left having a radius of 820.00 feet, a length of 724.85 feet and chord of North 61 deg. 22 min. 51 sec. West, 701.48 feet to a point; and 3.) North 86 deg. 42 min. 44 sec. West a distance of 217.47 feet to the Point of Beginning; thence South 03 deg. 07 min. 47 sec. West through the lands now or formerly of C'Ville, LLC as described in Inst. No. 2013-04991, a distance of 867.12 feet to a point on the division line between the said lands of C'Ville, LLC on the north and the lands now or formerly of Pyrotek, Inc. as described in Inst. No. 2010.-02415 on the south; thence North 81 deg. 42 min. 12 sec. West along said division line, a distance of 1672.84 feet to a point on the southerly line of Byrne Hollow Crossing; thence along the said southerly line of Byrne Hollow Crossing and Finger Lakes East Drive, in part by each, the following four (4) courses and distances: 1.) northeasterly along a curve to the right having a radius of 420.00 feet, a length of 235.32 feet and chord of North 32 deg. 19 min. 21 sec. East, 232.26 feet to a point; thence 2.) North 48 deg. 22 min. 26 sec. East a distance of 560.06 feet to a point of curvature; thence 3.) northeasterly along a curve to the right having a radius of 420.00 feet, a length of 329.17 feet and chord of North 70 deg. 49 min. 33 sec. East, 320.81 feet to a point; thence 4.) South 86 deg. 42 min. 44 sec. East a distance of 858.25 feet to the point of beginning. Containing 25.635 acres of land, more or less.

CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY
40 Maine Street, Suite A
Cortland, New York 13045

September 1, 2025

To Whom It May Concern:

Re: New York State Sales or Use Tax Exemption
Cortland County Industrial Development Agency
C'Ville, LLC Project

Pursuant to TSB-M-87(7) issued by the New York State Department of Taxation and Finance on April 1, 1987 as modified and amended by TSB-M-14(1.1)S issued by the New York State Department of Taxation and Finance on February 12, 2014 (collectively the "Policy Statement"), the Cortland County Industrial Development Agency (the "Agency"), a public benefit corporation duly established pursuant to Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), is issuing this letter for the purpose of providing the information previously required by the Policy Statement regarding the sales tax exemption with respect to the captioned project (the "Project") located at 3114-3168 Byrne Hollow Crossing and Osbeck Lane in the Town of Cortlandville, Cortland County, New York (the "Project Site") and to provide information regarding the proper reporting of exempt purchases to the New York State Department of Taxation and Finance.

C'Ville, LLC (the "Company") has applied to and been approved for Financial Assistance from the Agency in the matter of completion of the Project on the Project Facility. The Project includes the following: (A) (1) the acquisition of an interest in a ± 22.5 acre parcel of land (the "Land") located at 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane in the Town of Cortlandville, Cortland County, New York, (2) construction on the Land of an expansion to the existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations (the "Facility"), and (3) the acquisition and installation therein and thereon of fixtures and equipment comprising the Facility (the "Equipment"), all of the foregoing to constitute a dairy manufacturing facility to be operated by the Company or affiliated entities (the Land, Facility and Equipment being collectively referred to as the "Project Facility"). Please be advised that as of September 1, 2025, the Lease Agreement was fully executed by the Company and Agency, pursuant to which the Agency appointed the Company as agent of the Agency

to acquire, construct and install the Project Facility, said appointment being intended by the Agency to be retroactive to July 28, 2025.

This agency appointment includes the power to delegate such agency, in whole or in part, to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents, and to such other parties as the Company chooses including, but not limited to, the individuals and entities described on Schedule A attached hereto. The Company and each of the individuals and entities described on Schedule A attached hereto are sometimes referred to herein as an "Agent" and collectively, as the "Agents". The Company shall have the right to amend Schedule A from time to time and shall be responsible for maintaining an accurate list of all parties acting as agent for the Agency. The Company hereby agrees to complete "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for itself and each agent, subagent, contractor, subcontractor, contractors or subcontractors of such agents and subagents, and to such other parties as the Company chooses who provide materials, equipment, supplies or services and forward said form to the Agency immediately upon such appointment for review and approval by the Agency and the Agency shall file said form with the State Department of Taxation and Finance within thirty (30) days.

It is our opinion that the Agents may make project purchases of materials to be incorporated in the Project and machinery and equipment constituting a part of the Project and purchases or rentals of supplies, tools, equipment or services necessary to acquire or install the Project and, with respect to such specific purchases or rentals, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York, if the following procedures are observed:

1. The Agent must provide the seller with a properly completed "IDA Agent or Project Operator Exempt Purchase Certificate" (Form ST-123) with all purchases.

2. Purchases must be billed or invoiced by the vendor to the Agent as agent for the Agency (e.g., "AGENT as agent for Cortland County Industrial Development Agency") and identify the date of delivery and indicate the place of delivery.

3. Payment must be made by the Agent, acting as agent, directly to the vendor from a special project fund of the payor.

4. Deliveries must be made to the Project Site, or under certain circumstances (such as where the materials require additional fabrication before installation on the Project Site or for storage to protect materials from theft or vandalism prior to installation at the Project Site) deliveries may be made to a site other than the Project Site, providing the ultimate delivery of the materials is made to the Project Site. Where delivery is made to a site other than the Project Site, the purchases must be billed or invoiced by the vendor to the Agent as agent of the Agency, identify the date and place of delivery, the Agency's full name and address and the Project Site where the materials will ultimately be delivered for installation.

Pursuant to Section 874(8) of the Act, the Company, as agent of the Agency, must annually file a statement with the New York State Department of Taxation and Finance, on a form and in such a manner as is prescribed by the Commissioner of Taxation and Finance, of the value of all sales tax exemptions claimed by the Company under the authority granted by the Agency. The penalty for failure to file such a statement under Section 874(8) of the Act shall be the removal of authority to act as an agent for the Agency.

This letter shall, together with a properly completed ST-123, serve as proof of the existence of an agency contract between the Agency and each Agent for the SOLE EXPRESS PURPOSE OF SECURING EXEMPTION FROM NEW YORK STATE SALES TAXES FOR THE PROJECT ONLY. NO OTHER PRINCIPAL/AGENT RELATIONSHIP BETWEEN THE AGENCY AND AN AGENT IS INTENDED OR MAY BE IMPLIED OR INFERRED BY THIS LETTER.

It is hereby further certified that, under the Policy Statement, since the Agency is a public benefit corporation, neither the Agency, nor any Agent as its agent, is required to furnish an "Exempt Organization Certificate" in order to secure exemption from any sales or use tax for such items or services.

In addition to a properly completed Form ST-123, a copy of this letter received by any vendor or seller to the Agent as agent for the Agency, may be accepted by such vendor or seller as a "statement and additional documentary evidence of such exemption" as provided by New York State Tax Law Section 1132(c)(1), thereby relieving such vendor or seller from the obligation to collect sales and use tax on purchases or rentals of such materials, supplies, tools, equipment or services by the Agency through its agent, the Agent.

THE EXEMPTIONS SET FORTH IN THIS LETTER SHALL REMAIN IN EFFECT UNTIL DECEMBER 31, 2027.

In the event you have any questions with respect to the above, please do not hesitate to contact Melanie Vilardi, Executive Director of the Agency, at (607) 756-5005.

Very truly yours,

CORTLAND COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Melanie Vilardi, Executive Director

SCHEDULE "A"

LIST OF APPOINTED AGENTS¹

Mullally Bros., Inc.
116 Campbell Avenue
Troy, New York 12180

E.J. Electric, LLC
6601 Joy Road
East Syracuse, New York 13057

The Haynor Hoyt Corporation
400 S. Salin Street, Suite 301
Syracuse, New York 13202

¹ For each Agent appointed by the Company, a Form ST-60 must be completed and filed with NYS Department of Taxation and Finance indicating such Agent of the Company



COPY

JOHN P. SIDD, ESQ.
Direct Line: (315) 565-4559
jsidd@hancocklaw.com

September 16, 2025

New York State Tax Department
IDA Unit
WA Harriman Campus
Albany, New York 12227-0866

Re: Cortland County Industrial Development Agency
C'Ville, LLC Project
Project #1101-25-3

Dear Sir or Madam:

Enclosed please find the following four (4) executed ST-60 Forms – IDA Appointment of Project Operator or Agent for Sales Tax Purposes - regarding the above-referenced project for filing in your office:

- 1. C'Ville, LLC;
- 2. Mullally Bros., Inc.;
- 3. E-J Electric, LLC; and
- 4. The Hayner Hoyt Corporation

RECEIVED
NEW YORK STATE
PROCESSING & SHARED SERVICES BUREAU
SEP 22 2025
IDA UNIT

Also enclosed please copies of the executed forms along with a copy of this letter. Kindly file same and return date stamped copies of the forms and this letter to my attention in the enclosed, self-addressed, stamped envelope.

Thank you and if you should have any questions, please do not hesitate to contact me.

Very truly yours,

HANCOCK ESTABROOK, LLP

John P. Sidd

JPS:cam
Enclosures



Department of Taxation and Finance

IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(1/18)

The industrial development agency or authority (IDA) **must** submit this form within **30 days** of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only**IDA information**

Name of IDA Cortland County Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 1101-25-3
Street address 40 Main Street, Suite A			Telephone number (607) 756-5005
City Cortland	State NY	ZIP code 13045	Email address (optional) Melanie@cortlandbusiness.com

Project operator or agent information

Name of IDA project operator or agent C'VILLE, LLC		Mark an X in the box if directly appointed by the IDA: <input checked="" type="checkbox"/>	Employer identification or Social Security number 80-0916445
Street address 2394 US Route 11		Telephone number (315) 350-4836	Primary operator or agent? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
City Lafayette	State NY	ZIP code 13084	Email address (optional) jgosier@byrne1933.com

Project information

Name of project C'VILLE, LLC PROJECT			
Street address of project site 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane			
City Cortlandville	State NY	ZIP code 13045	Email address (optional) jgosier@byrne1933.com
Purpose of project Economic development including the creation of an additional 100 full time jobs resulting from the expansion to an existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations.			

Description of goods and services intended to be exempted from New York State and local sales and use taxes Construction materials, equipment and installation thereof for the expansion of an existing 70,000 square foot dairy processing plant on adjacent property including a 26,000 square foot dairy manufacturing facility to house processing and blend/batch equipment and 74,560 square feet of additional space for new processing, filling, packaging and warehouse operations.			
Date project operator or agent appointed (mmddyy) 072825	Date project operator or agent status ends (mmddyy) 123127	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>	
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: 22,500,000.00		Estimated value of New York State and local sales and use tax exemption provided: 1,800,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Melanie Vilardi		Print title Executive Director	
Signature 		Date 09-01-2025	Telephone number (607) 756-5005



Department of Taxation and Finance

IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60
(1/18)

The industrial development agency or authority (IDA) **must** submit this form within **30 days** of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only**IDA information**

Name of IDA Cortland County Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 1101-25-3
Street address 40 Main Street, Suite A			Telephone number (607) 756-5005
City Cortland	State NY	ZIP code 13045	Email address (optional) Melanie@cortlandbusiness.com

Project operator or agent information

Name of IDA project operator or agent Mullally Bros., Inc.		Mark an X in the box if directly appointed by the IDA: <input type="checkbox"/>	Employer identification or Social Security number 14-1471082
Street address 116 Campbell Ave.		Telephone number (518) 272-7061	Primary operator or agent? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
City Troy	State NY	ZIP code 12180	Email address (optional)

Project information

Name of project C'VILLE, LLC PROJECT			
Street address of project site 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane			
City Cortlandville	State NY	ZIP code 13045	Email address (optional) jgosier@byrne1933.com
Purpose of project Economic development including the creation of an additional 100 full time jobs resulting from the expansion to an existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations.			

Description of goods and services intended to be exempted from New York State and local sales and use taxes Construction materials, equipment and installation thereof for the expansion of an existing 70,000 square foot dairy processing plant on adjacent property including a 26,000 square foot dairy manufacturing facility to house processing and blend/batch equipment and 74,560 square feet of additional space for new processing, filling, packaging and warehouse operations.			
Date project operator or agent appointed (mmddyy) 072825	Date project operator or agent status ends (mmddyy) 123127	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>	
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: 22,500,000.00		Estimated value of New York State and local sales and use tax exemption provided: 1,800,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Melanie Vilardi		Print title Executive Director	
Signature 		Date 09-01-2025	Telephone number (607) 756-5005



Department of Taxation and Finance

IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(1/18)

The industrial development agency or authority (IDA) **must** submit this form within **30 days** of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only**IDA information**

Name of IDA Cortland County Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 1101-25-3
Street address 40 Main Street, Suite A			Telephone number (607) 756-5005
City Cortland	State NY	ZIP code 13045	Email address (optional) Melanie@cortlandbusiness.com

Project operator or agent information

Name of IDA project operator or agent E-J Electric, LLC		Mark an X in the box if directly appointed by the IDA: <input type="checkbox"/>	Employer identification or Social Security number 47-2587829
Street address 6601 Joy Road		Telephone number (315) 714-6262	Primary operator or agent? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
City East Syracuse	State NY	ZIP code 13057	Email address (optional)

Project information

Name of project C'VILLE, LLC PROJECT			
Street address of project site 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane			
City Cortlandville	State NY	ZIP code 13045	Email address (optional) jgosier@byrne1933.com
Purpose of project Economic development including the creation of an additional 100 full time jobs resulting from the expansion to an existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations.			

Description of goods and services intended to be exempted from New York State and local sales and use taxes Construction materials, equipment and installation thereof for the expansion of an existing 70,000 square foot dairy processing plant on adjacent property including a 26,000 square foot dairy manufacturing facility to house processing and blend/batch equipment and 74,560 square feet of additional space for new processing, filling, packaging and warehouse operations.			
Date project operator or agent appointed (mmddyy) 072825	Date project operator or agent status ends (mmddyy) 123127	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>	
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: 22,500,000.00		Estimated value of New York State and local sales and use tax exemption provided: 1,800,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Melanie Vilardi		Print title Executive Director	
Signature 		Date 09-01-2025	Telephone number (607) 756-5005



Department of Taxation and Finance

IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(1/18)

The industrial development agency or authority (IDA) **must** submit this form within **30 days** of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only**IDA information**

Name of IDA Cortland County Industrial Development Agency			IDA project number (use OSC numbering system for projects after 1998) 1101-25-3
Street address 40 Main Street, Suite A			Telephone number (607) 756-5005
City Cortland	State NY	ZIP code 13045	Email address (optional) Melanie@cortlandbusiness.com

Project operator or agent information

Name of IDA project operator or agent The Hayner Hoyt Corporation		Mark an X in the box if directly appointed by the IDA: <input type="checkbox"/>	Employer identification or Social Security number 16-0902042
Street address 400 S. Salina Street, Suite 301		Telephone number (315) 455-5941	Primary operator or agent? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
City Syracuse	State NY	ZIP code 13202	Email address (optional)

Project information

Name of project C'VILLE, LLC PROJECT			
Street address of project site 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane			
City Cortlandville	State NY	ZIP code 13045	Email address (optional) jgosier@byrne1933.com
Purpose of project Economic development including the creation of an additional 100 full time jobs resulting from the expansion to an existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations.			

Description of goods and services intended to be exempted from New York State and local sales and use taxes Construction materials, equipment and installation thereof for the expansion of an existing 70,000 square foot dairy processing plant on adjacent property including a 26,000 square foot dairy manufacturing facility to house processing and blend/batch equipment and 74,560 square feet of additional space for new processing, filling, packaging and warehouse operations.			
Date project operator or agent appointed (mmddyy) 072825	Date project operator or agent status ends (mmddyy) 123127	Mark an X in the box if this is an extension to an original project: <input type="checkbox"/>	
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: 22,500,000.00		Estimated value of New York State and local sales and use tax exemption provided: 1,800,000.00	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA Melanie Vilardi		Print title Executive Director	
Signature 		Date 09-01-2025	Telephone number (607) 756-5005



JOHN P. SIDD, ESQ.
Direct Line: (315) 565-4559
jsidd@hancocklaw.com

September 23, 2025

Marc Di Cerbo
Town of Cortlandville Assessor
The Raymond G. Thorpe Municipal Building
3577 Terrace Road
Cortland, New York 13045

**Re: Cortland County Industrial Development Agency
C'Ville, LLC Project**

Dear Mr. Di Cerbo:

Enclosed please find New York State Board of Real Property Services Form RP-412-a (Industrial Development Agencies Application for Real Property Tax Exemption) regarding the above-referenced project.

Thank you and if you should have any questions, please do not hesitate to contact me.

Very truly yours,

HANCOCK ESTABROOK, LLP

A handwritten signature in black ink, appearing to be 'JPS', is written over the printed name of John P. Sidd.

John P. Sidd

JPS:cam
Enclosure

cc: Gregory K. Leach, Town Supervisor (w/enc.)
Robert J. Edwards, Cortland City Schools Superintendent (w/enc.)
Kevin Fitch, County Chairman (w/enc.)
Cortland County Real Property Tax Services (w/enc.)



NYS DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. **INDUSTRIAL DEVELOPMENT AGENCY (IDA)**

Name Cortland County Industrial Development Agen
Street 40 Main Street, Suite A
City Cortland, NY 13045
Telephone no. Day (607) 756-5005
Evening () _____
Contact Melanie Vilardi
Title Executive Director

2. **OCCUPANT (IF OTHER THAN IDA)**

(If more than one occupant attach separate listing)

Name C'VILLE, LLC
Street 2394 US Route 11
City Lafayette, NY 13084
Telephone no. Day () 315 350-4836
Evening () _____
Contact James Gosier
Title General Counsel

3. **DESCRIPTION OF PARCEL**

- a. Assessment roll description (tax map no./roll year)
See Attached Tax Parcel List / 2025
- b. Street address 3114 - 3168 Byrne Hollow Crossing
and Osbeck Lane
- c. City, Town or Village Cortlandville
- d. School District Cortland City
- e. County Cortland
- f. Current assessment \$269,350
- g. Deed to IDA (date recorded; liber and page)
Leasehold Interest

4. **GENERAL DESCRIPTION OF PROPERTY** (if necessary, attach plans or specifications)

- a. Brief description (include property use) Dairy Manufacturing Facility
- b. Type of construction New
- c. Square footage 25.635 acres
- d. Total cost \$120,000,000.00
- e. Date construction commenced Fall 2025
- f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
January 31, 2042

5. **SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION**

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment Please see attached Payment In Lieu of Tax Agreement
- b. Projected expiration date of agreement January 31, 2042

RP-412-a (1/95)

2

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Cortland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Cortlandville</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village <u>Cortlandville</u>	<input type="checkbox"/>	<input type="checkbox"/>
School District <u>Cortland City</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name C'VILLE, LLC
 Title Project Owner
 Address 2394 US Route 11
Lafayette, NY 13084

e. Is the IDA the owner of the property? Yes No (check one)
If "No" identify owner and explain IDA rights or interest in an attached statement. Telephone 315-350-4836
C'Ville, LLC is the owner, IDA has a leasehold interest.

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No (Portion)

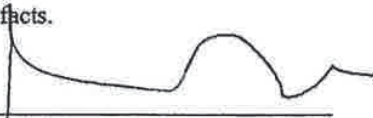
If yes, list the statutory exemption reference and assessment roll year on which granted:
exemption RPTL 412-a assessment roll year 2014 - Present

7. A copy of this application, including all attachments, has been mailed or delivered on 9/23/2025 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Melanie Vilardi, Executive Director of Cortland County Industrial Development Agency hereby certify that the information on this application and accompanying papers constitutes a true statement of facts.

September 23, 2025
Date


Signature

Clear Form

FOR USE BY ASSESSOR

- Date application filed _____
 - Applicable taxable status date _____
 - 3a. Agreement (or extract) date _____
 - 3b. Projected exemption expiration (year) _____
 4. Assessed valuation of parcel in first year of exemption \$ _____
 5. Special assessments and special as valorem levies for which the parcel is liable:

- _____
Date
- _____
Assessor's signature

**ATTACHMENT TO RP-412-a
TOWN OF CORTLANDVILLE TAX MAP ID#**

105.00-03-16.000 (Portion)

105.00-03-17.000 (Portion)

105.00-03-18.000

105.00-03-19.000

105.00-03-20.000

105.00-03-21.000

September 1, 2025

Cortland County Industrial Development Agency
40 Main Street, Suite A
Cortland, New York 13045

Hancock Estabrook LLP
1800 AXA Tower I
100 Madison Street
Syracuse, NY 13202

**Re: Cortland County Industrial Development Agency
C'Ville, LLC Project**

Dear Ladies and Gentlemen:

We have acted as counsel to C'Ville, LLC, a limited liability company (the "Company") in connection with the preparation, execution and delivery by the Company and the Cortland County Industrial Development Agency (the "Agency"), a public benefit corporation organized and existing pursuant to Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), of a lease to the Agency dated as of the date hereof (the "Underlying Lease"), a Uniform Project and Lease Agreement dated as of the date hereof (the "Lease Agreement"), a bill of sale to the Agency dated as of the date hereof (the "Bill of Sale to Agency") and various other closing documents required to be executed by the Company (collectively, with the foregoing enumerated documents, the "Company Documents"), all in connection with the undertaking by the Agency of a project (the "Project") consisting of: (A) (1) the acquisition of an interest in a ± 22.5 acre parcel of land (the "Land") located at 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane in the Town of Cortlandville, Cortland County, New York, (2) construction on the Land of an expansion to the existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations (the "Facility"), and (3) the acquisition and installation therein and thereon of fixtures and equipment comprising the Facility (the "Equipment"), all of the foregoing to constitute a dairy

manufacturing facility to be operated by the Company or affiliated entities (the Land, Facility and Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

We have examined the original or certified copies of the proceedings of the Company taken with respect to the Project, a certified copy of the resolution of the members of the Company authorizing the execution and delivery by the Company of the Company Documents (the "Company Resolution"), and executed counterparts of all of the Company Documents. We have also examined copies, certified or otherwise identified to our satisfaction, of the Company's records as we have considered necessary or appropriate to render the following opinions. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Lease Agreement.

Based on the foregoing, it is our opinion that:

(A) The Company is a limited liability company duly organized and validly existing under the laws of the State of New York and is authorized to do business in New York and possesses full power and authority to own its Property, to conduct its business and to execute and deliver the Company Documents and to carry out and perform its obligations thereunder.

(B) The execution and delivery by the Company of the Company Documents have been duly authorized by all necessary corporate action of the Company. Each of the Company Documents has been duly executed and delivered by an Authorized Representative of the Company and is a legal and valid binding obligation of the Company enforceable against the Company in accordance with its terms, except as the enforcement of the Company Documents may be limited by an applicable bankruptcy, insolvency, moratorium, reorganization or other laws relating to fraudulent conveyances or affecting the enforcement of rights of creditors of the Company generally and equitable principles of general applicability.

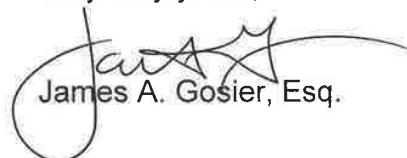
(C) The execution and delivery by the Company of the Company Documents, the execution and compliance with the provisions of each and the consummation of the transactions contemplated therein, to the best of our knowledge, do not and will not conflict with or constitute on the part of the

Company a breach of or default under the Company's articles of organization or operating agreement or any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument to which the Company is a party or by which it or any of its Property may be bound or affected for which a valid consent has not been secured; nor, to the best of our knowledge, without investigation, is any approval or any action by any Governmental Authority or agency required in connection with the execution, delivery or performance thereof by the Company.

(D) To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against, or affecting, the Company, where an unfavorable decision, ruling or finding would in any way adversely affect, in a material fashion, the Project Facility or the validity or enforceability of the Company's Documents.

Any opinion concerning the validity, binding effect or enforceability of any document (A) means that (1) such document constitutes an effective contract under applicable law, (2) such document is not invalid in its entirety under applicable law because of a specific statutory prohibition or public policy, and is not subject in its entirety to a contractual defense under applicable law and (3) subject to the following sentence, some remedy is available under applicable law if the person concerning whom such opinion is given is in material default under such document, but (B) does not mean that (1) any particular remedy is available under applicable law upon such material default or (2) every provision of such document will be upheld or enforced in any or each circumstance by a court applying applicable law. Furthermore, the validity, binding effect or enforceability of any document may be limited to or otherwise affected by (A) any applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar statute, rule, regulation or other law affecting the enforcement of creditors' rights and remedies generally or (B) the unavailability of, or any limitation on the availability of, any particular right or remedy (whether in a proceeding in equity or law) because of the discretion of a court or because of any equitable principle or requirement as the commercial reasonableness, conscionability or good faith.

Very truly yours,


James A. Gosier, Esq.



JOHN P. SIDD, PARTNER
(315) 565-4559
jsidd@hancocklaw.com

September 1, 2025

Cortland County Industrial Development Agency
40 Main Street, Suite A
Cortland, New York 13045

C'VILLE, LLC
2394 US Route 11
Lafayette, New York

**Re: Cortland County Industrial Development Agency
C'VILLE, LLC Project**

Ladies and Gentlemen:

We have acted as counsel to the Cortland County Industrial Development Agency (the "Agency"), a public benefit corporation organized and existing pursuant to Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), in connection with the preparation, execution and delivery by the Agency of the following documents (the "Agency Documents"):

(A) a certain resolution adopted by the members of the Agency on July 28, 2025 (the "Approving Resolution") authorizing the execution and delivery by the Agency of the Agency Documents in connection with a project (the "Project") undertaken by the Agency for the benefit of C'VILLE, LLC (the "Company") consisting of: (A) (1) the acquisition of an interest in a \pm 22.5 acre parcel of land (the "Land") located at 3114 - 3168 Byrne Hollow Crossing and Osbeck Lane in the Town of Cortlandville, Cortland County, New York, (2) construction on the Land of an expansion to the existing 70,000 square foot dairy processing plant on adjacent property, the expansion to be completed in two (2) stages, the first (Phase 2A) being a 26,000 square foot manufacturing facility to house processing and blend/batch equipment for the existing dairy processing operation, and the second stage (Phase 2B) being 74,560 square feet of additional space for new processing, filling, packaging and warehousing operations (the "Facility"), and (3) the acquisition and installation therein and



Cortland County Industrial Development Agency
C'Ville LLC
September 1, 2025
Page 2

thereon of fixtures and equipment comprising the Facility (the "Equipment"), all of the foregoing to constitute a dairy manufacturing facility to be operated by the Company or affiliated entities (the Land, Facility and Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency;

(B) a certain Lease to Agency dated as of the date hereof (the "Underlying Lease") by and between the Agency and the Company, pursuant to which the Company leases to the Agency the portion of the Land under the Facility (the "Facility Parcel");

(C) a certain Uniform Project and Lease Agreement dated as of the date hereof (the "Lease Agreement"); and

(D) a certain Payment in Lieu of Tax Agreement dated as of the date hereof (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company has agreed to make payments in lieu of taxes with respect to the Facility Parcel and the Facility.

We have, as counsel to the Agency, examined originals or copies of the proceedings of the Agency taken with respect to the Project, as well as certificates of the Agency's officers, a copy of the Approving Resolution and executed counterparts of the Agency Documents. We have also examined such statutes, court decisions, proceedings and other documents as we have considered necessary or appropriate in the circumstances to render the following opinions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Lease Agreement.

Based upon our examination of the foregoing, and in reliance upon the matters and subject to the limitations contained in the concluding paragraphs of this opinion, we are of the opinion (except that no opinion is given with respect to any federal or state securities law or any law concerning zoning or subdivision matters or as to the law of any jurisdiction other than the State of New York) that:

(A) The Agency is a corporate governmental agency constituting a public benefit corporation duly established under the Act.



Cortland County Industrial Development Agency
C'Ville LLC
September 1, 2025
Page 3

(B) Under the Act, it is the purpose of the Agency to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing, among others, industrial, manufacturing, warehousing, commercial and research facilities, and the Agency has the power to acquire, hold and dispose of real and personal property for its corporate purposes. In accordance with the Act, the Agency has determined to undertake the acquisition, construction and installation of the Project Facility, and to lease the Project Facility to the Company pursuant to the Lease Agreement.

(C) The members and officers of the Agency identified in the Agency's General Certificate delivered on this date have been duly appointed as such members (and duly elected by the members as such officers) and are qualified to serve as such.

(D) The Agency has power and lawful authority under the Act to execute and deliver the Agency Documents; to undertake the acquisition, construction and installation of the Project Facility pursuant to the Lease Agreement; to appoint the Company as agent of the Agency for the purpose of the acquisition, construction and installation of the Project Facility; and to perform and observe the provisions of the Agency Documents on its part to be performed and observed.

(E) The Approving Resolution has been duly adopted by the members of the Agency, complies with the procedural rules of the Agency and the requirements of the laws of New York, and the Approving Resolution has not been supplemented, amended or repealed and remains in full force and effect on the date hereof.

(F) By the Approving Resolution, the Agency has duly authorized the acquisition, construction and installation of the Project Facility, the lease of its interest in the Project Facility to the Company and the execution and delivery by the Agency of the Agency Documents.

(G) The making and performance by the Agency of the Agency Documents and the consummation of the transactions on the part of the Agency therein contemplated will not violate any applicable provision of any applicable law (including the Act), regulation, decree, writ, order or injunction, or any applicable provision of the Act, and will not contravene the provisions of or constitute a default under any material term of any agreement, indenture, bond resolution or



Cortland County Industrial Development Agency
C'Ville LLC
September 1, 2025
Page 4

other instrument to which the Agency is a party or by which the Agency is bound; provided, however, that no opinion is expressed as to the terms of laws, regulations, rules, judgments or orders with respect to the physical acquisition, construction, installation, equipping, occupancy or operation of the Project Facility.

(H) The Agency Documents have been duly authorized by all necessary action on the part of the Agency, have been duly executed and delivered by authorized officers of the Agency and, assuming the due authorization, execution and delivery of same by the other parties thereto, constitute legal, valid and binding special obligations of the Agency.

(I) No additional or further consent, authorization or approval of, or filing or registration with, any governmental or regulatory body not already obtained is required for the making and performance by the Agency of the Agency Documents or for the performance by the Agency of the transactions contemplated thereby; provided, however, that no opinion is expressed as to the terms of laws, regulations, rules, judgments or orders with respect to the physical acquisition, construction, equipping, occupancy or operation of the Project Facility.

(J) The Agency has not been served with a summons in any action and, to the best of our knowledge, there is no litigation pending or threatened in any court, either state or federal, calling into question the creation, organization or existence of the Agency, the validity of the Agency Documents or the authority of the Agency to acquire, construct and install the Project Facility or to enter into or perform the Agency Documents.

Any opinion concerning the validity, binding effect or enforceability of any document (A) means that (1) such document constitutes an effective contract under applicable law, (2) such document is not invalid in its entirety under applicable law because of a specific statutory prohibition or public policy, and is not subject in its entirety to a contractual defense under applicable law and (3) subject to the following sentence, some remedy is available under applicable law if the person concerning whom such opinion is given is in material default under such document, but (B) does not mean that (1) any particular remedy is available under applicable law upon such material default or (2) every provision of such document will be upheld or enforced in any or each circumstance by a court applying applicable law. Furthermore, the validity, binding effect or enforceability of any document may be limited to or otherwise affected by (A) other similar statute, rule, regulation or other law affecting the enforcement of creditors' rights and remedies



Cortland County Industrial Development Agency
C'Ville LLC
September 1, 2025
Page 5

generally or (B) the unavailability of, or any limitation on the availability of, any particular right or remedy (whether in a proceeding in equity or at law) because of the discretion of a court or because of any equitable principle or requirement as to commercial reasonableness, conscionability or good faith.

We express no opinion with respect to (A) title to all or any portion of the Project Facility, (B) the priority of any liens, charges, security interest or encumbrances affecting the Project Facility or any part thereof (or the effectiveness of any remedy which is dependent upon the existence of title to the Project Facility or the priority of any such lien, charge, security interest or encumbrance), (C) any laws, regulations, judgments, permits or orders with respect to zoning, subdivision matters or requirements for the physical commencement and continuance of the construction, reconstruction, installation, occupancy or operation of the Project Facility or with respect to the requirement of filing or recording of any of the Basic Documents, or (D) the laws of any jurisdiction other than the State of New York.

Insofar as the foregoing opinions express or involve conclusions as to compliance by the Agency with the provisions of Article Eight of the Environmental Conservation Law of the State of New York, we have relied upon the accuracy of the conclusions contained in the resolution adopted by the members of the Agency (the "SEQR Resolution") on July 14, 2025, in which the Agency made the determination to the effect that the acquisition, construction and installation of the Project Facility will not have a significant effect upon the environment; provided, however, that we are not passing upon nor do we assume any responsibility for the accuracy, completeness or fairness of the statements, information or conclusions contained in the foregoing and we make no representation that we have independently verified the accuracy, completeness or fairness of any such statements, information or conclusions.

This opinion is rendered as of the date hereof and no opinion is expressed as to matters referred to herein on any subsequent date.

Very truly yours,

HANCOCK ESTABROOK LLP

A handwritten signature in blue ink, appearing to be a stylized 'B' or similar initials, is written over the printed name of the firm.