

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT (the "Agreement"), made as of December 18, 2015, by and between CROWN CORK & SEAL USA, INC., a Delaware corporation, having its principal offices at One Crown Way, Philadelphia, Pennsylvania 19154 (the "Company") and the TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public-benefit corporation duly organized and validly existing under the laws of the State of New York, with an office for the transaction of business located at 56 Main Street, Owego, New York 13827 (the "Agency"), collectively, the "Parties."

WITNESSETH:

WHEREAS, Title 1 of Article 18-A, as amended, 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 (the "State"); and

WHEREAS, the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties 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 facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the 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 any or all of its facilities on such terms and conditions as it deems advisable, to issue its bonds for the purpose of carrying out any of its corporate purposes; and, as security for the payment of the principal and redemption price of, and interest on, any such bonds so issued and any agreements made in connection therewith, to pledge the revenues and receipts from its facilities or from the lease thereof; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, Chapter 534 of the Laws of 1971 of the State (collectively, the "Act") created the Agency, which is empowered under the Act to undertake the providing, financing and leasing of the facility described below; and

WHEREAS, the Agency was created as a public benefit corporation pursuant to and for the purposes specified in Title 1 of Article 18-A of the General Municipal Law; and

WHEREAS, the Company has agreed to a lease and lease-back transaction, on the real property more particularly described on Exhibit "A" attached hereto, to facilitate the acquisition and leasing of a 40.077 acre parcel of land located on Berry Road in the Town of Nichols, Tioga County, New York, being Tax map # 149.00-1-46, commonly known as 650 Berry Road, Nichols, NY 13812, as more particularly described in Exhibit A attached hereto and made a part hereof (the "Land"); (2) the construction of manufacturing and warehouse facility to be located on the Land (the "Facility"), and (3) the acquisition and installation therein and thereon by the Company of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment being hereinafter collectively referred to as the "Project"), all of the foregoing being

intended for use by the Company as a can manufacturing plant and warehouse facility and any other directly or indirectly related activities; and

WHEREAS, the Agency will lease the Project to the Company for a term not to exceed thirty (30) years; and

WHEREAS, the Agency is exempt from the payment of real property taxes imposed upon real property, and as a further condition related to the acquisition of the Project, the Company has agreed that, notwithstanding such exemption, the Company will nevertheless make payments to the Town of Nichols (the "Town"), the Owego Apalachian School District (the "School District") and the County of Tioga (the "County") while occupying the Project in lieu of general tax levies.

NOW, THEREFORE, in consideration of the covenants herein contained, it is mutually agreed as follows:

1. Pursuant to Section 874 of the General Municipal Law and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition by the Agency of a leasehold interest in the Project and the filing of an Equalization and Assessment Form RP-412-a (and "Exemption Form") with respect to the Project, and for so long thereafter as the Agency shall own a leasehold interest in the Project, the Project shall be assessed by the various taxing entities having jurisdiction over the Project, including, without limitation, the Town, the School District and the County as exempt on their respective assessment rolls prepared subsequent to the acquisition by the Agency of leasehold title to the Project and the filing of the Exemption Form. The Parties hereto understand that the Project shall not be entitled to such exempt status on any

tax roll until the first tax year following the tax status date subsequent to the date upon which the Agency became the record owner a leasehold interest in the Project and an Exemption Form is filed. The Company shall be required to pay all real property taxes lawfully levied and/or assessed against the Project, including real property taxes levied for the current tax year and all subsequent years until the Project is entitled to exempt status on the tax roll. The Agency will cooperate with the Company to obtain and preserve the tax exempt status of the Project, including the preparation and filing of the Exemption Form.

2. During the period the Project is leased by the Agency, pursuant to a lease agreement with the Company, the Company agrees to pay to the Agency, in lieu of taxes, the amounts set forth in **Exhibit "B"** attached hereto, year one (1) of which shall commence on March 1, 2017. Prior to March 1, 2017, the Company will pay the same amounts as previously paid by the Agency which, in this case, total \$0.00. The Agency will, in turn, distribute such payments to the affected taxing jurisdictions in the amounts set forth on **Exhibit "B"** attached hereto. Commencing with the thirty-first (31st) year, and until such time as the Agency's lease agreement with the Company is terminated, the Company shall pay the actual taxes that would have been levied on the Project if not for the Agency's tax exemption.

3. During the term of this Agreement, the Company waives the right to contest the assessment(s) on the Project.

4. The Agency shall bill the Company annually for the total PILOT payments due as set forth in **Exhibit "B"** attached hereto. For the purposes of this Agreement, the term "Timely

Payment" shall be defined as payment made within thirty (30) days after receipt by the Company of a written bill demanding payment.

5. Should the Company use the Project for other than the construction and equipping of an approximately 531,512 square feet building for the manufacturing of beverage cans, including a manufacturing area of approximately 304,296 square feet, a warehouse area of approximately 203,055 square feet and an office area of approximately 24,161 square feet or allied purposes such as defined in Article 18-A of the General Municipal Law, fail to retain substantially the number of jobs anticipated by the Project, or elect to terminate the lease agreement with the Agency, this Agreement shall terminate immediately and the Project shall be returned to the non-exempt portion of the tax roll and be subject to taxation thereafter, including any portion of a tax year not otherwise covered by this Agreement.

6. If any default shall be made in the payment referred to in Paragraph 2, supra, the Company hereby agrees to pay the same to the extent above specified:

A. Without requiring any additional notice of non-payment or of default to the Company, the Agency, or to any other person; and

B. Without proof of demand.

7. The Parties hereto understand that the tax exemption extended to the Agency by Section 874 of the General Municipal Law and Section 412-A of the Real Property Tax Law does not entitle the Agency to an exemption from special assessments and special ad valorem

levies such as, but without limitation, charges for metered water and sewer rent. The Company hereby agrees to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project.

8. Pursuant to Section 858 (15) of the General Municipal Law, the Agency agrees to give the Town, the School District and the County a copy of this PILOT Agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy thereof be given to the appropriate officer or officers with respect to each taxing jurisdiction responsible for preparing the tax rolls for said jurisdiction, together with a request that said officer or officers submit to the Company and the appropriate receiver of taxes periodic statements specifying the amount and due date or dates of the payments due to each hereunder. Such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such jurisdictions.

9. The Company agrees to pay the amounts due hereunder to each particular taxing jurisdiction in any calendar year to the appropriate receiver of taxes within the period that such taxing entity allows the payment of taxes levied in such calendar year without penalty. The Company shall be entitled to receive receipts for such payments.

10. Pursuant to Section 874(5) of the General Municipal Law, if the Company shall fail to make any payment required by this PILOT Agreement when due, and such failure continues for five (5) days after written notice from the Agency, the Company shall pay the same, together with a late-payment penalty equal to five percent (5%) of the amount due. If the Company shall remain in default beyond the first month after such payment is due, the Company

shall hereafter pay a late-payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due thereunder is delinquent beyond the first month plus 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 have been payable if such amount were delinquent taxes, until so paid in full.

11. Pursuant to Section 874(6) of the General Municipal Law, if the Company should default in performing any of its obligations, covenants or agreements under this PILOT Agreement beyond expiration of applicable notice, grace or cure periods, and the Agency or any taxing jurisdiction should employ attorneys or incur other expense for the collection of any amounts payable hereunder, or for the enforcement or performance or observation of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefore, pay to the Agency or such taxing jurisdiction, as the case may be, not only the amounts adjudicated due hereunder, together with the late-payment penalty and interest due thereon, but also reasonable, actual fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred whether or not an action is commenced.

12. No remedy herein conferred upon or reserved to the Agency or any taxing jurisdiction is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this PILOT Agreement or now and hereafter existing at law or in equity or by statute. No delay or admission in exercising any such right or power accruing upon a default hereunder shall impair any such right or power or be construed as a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

13. The Agency reserves the right to recapture benefits provided through the abatement of real property taxes in the event that the Company's performance is substantially different than anticipated as defined below:

A. Sale or closure of the Project and departure of the Company from Tioga County;

B. Significant change in the use of the Project and/or business activities of the Company; and

C. Significant employment reductions from the anticipated one hundred sixty-four (164) FTE jobs to be created by the Project, which are not reflective of the Project's normal business cycle and/or local and national economic conditions.

In cases deemed to meet one or more of the above conditions, the following recapture schedule will apply:

<u>Period</u>	<u>Accumulative Amount of Recapture</u>
During Year 1	100%
During Year 2	75%
During Year 3	50%
During Year 4	25%
After Year 4	0%

The time period above is from the effective date of the PILOT Agreement. Imposition of this recapture policy is at the sole discretion of the Agency and will be considered on a case by case basis.

14. The addresses to which notices, demands, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE AGENCY: Tioga County Industrial Development Agency
56 Main Street
Owego, New York 13827
Attn: Chairman

With a Copy to. Joseph B. Meagher, Esq.
Thomas, Collison & Meagher
1201 Monroe Street
P.O. Box 329
Endicott, New York 13761-0329

IF TO THE COMPANY: CROWN Cork & Seal USA, Inc.
One Crown Way
Philadelphia, Pennsylvania 19154-4599
Attn: Corporate Manager – Real Estate

With a Copy to: CROWN Cork & Seal USA, Inc.
One Crown Way
Philadelphia, Pennsylvania 19154-4599
Attn: General Counsel

15. This Agreement shall inure to the benefit of and shall be binding upon the Agency, the Company and their respective successors and assigns.

16. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

17. This Agreement may not be amended, changed, modified, altered or terminated without the concurring written consent of the parties hereto.

18. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Agreement may be executed and delivered via facsimile or by electronic mail, and such agreement executed and delivered via facsimile or electronic mail shall have the same force and effect as an original document and shall be legally binding upon the parties.

19. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of New York for contracts to be wholly performed therein.

20. The headings of the several sections in this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Agreement.

21. The Agency and the Company mutually agree that by entering into this Agreement the parties hereto are not entering into a joint venture.

22. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.


23. Neither the failure nor any delay on the part of either party to this Agreement to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

24. EACH OF THE PARTIES HEREBY KNOWINGLY AND INTENTIONALLY, IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT. THIS WAIVER SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

SIGNATURES BEGIN ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed the date set forth hereinabove.

CROWN CORK & SEAL USA, INC.

By: 
Michael J. Rowley
Assistant General Counsel and Assistant
Secretary

TIOGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

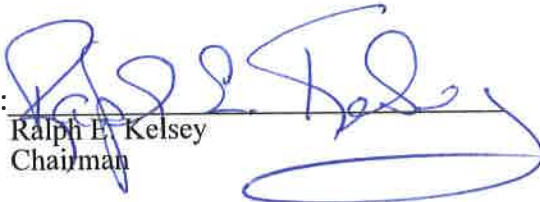
By: _____
Ralph E. Kelsey
Chairman

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed the date set forth hereinabove.

CROWN CORK & SEAL USA, INC.

By: _____
Michael J. Rowley
Assistant General Counsel and Assistant
Secretary

TIOGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

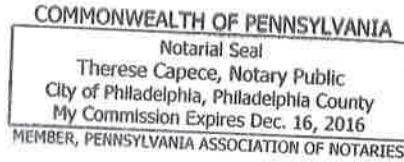
By:  _____
Ralph E. Kelsey
Chairman

STATE OF PENNSYLVANIA:

: ss.:
COUNTY OF Philadelphia

On December 17TH, 2015, before me, the undersigned, personally appeared MICHAEL J. ROWLEY, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument and that such individual made such appearance before the undersigned in the city/town/village of Philadelphia State of Pennsylvania.

Therese Capece
Notary Public

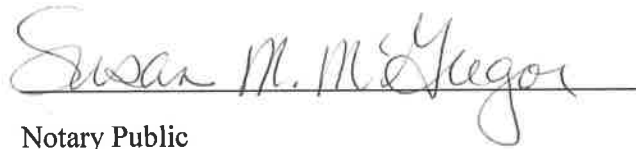


STATE OF NEW YORK:

: ss.:

COUNTY OF BROOME:

On this 15th day of December, 2015, before me, the undersigned, personally appeared RALPH E. KELSEY, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

A handwritten signature in cursive script, reading "Susan M. McGregor", written over a horizontal line.

Notary Public

SUSAN M. MCGREGOR
Notary Public, State of New York
No. 01MC6215671
Qualified in Broome County
Commission Expires January 4, 2018

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Nichols, County of Tioga and State of New York, bounded and described as follows:

BEGINNING at a point in the intersection of the centerline of Hunts Creek Road with the southerly boundary of Berry Road.

THENCE North 30° 25' 10" East, along the southerly boundary of Berry Road, a distance of 27.41' to a 3/4" rebar with cap set,

THENCE continuing North 30° 25' 10" East, along the southerly boundary of Berry Road, a distance of 61.84' to a 3/4" rebar with cap set.

THENCE easterly, along the southerly boundary of Berry Road and along a 393.22' radius curve to the right, an arc length of 121.40' (having a chord of North 68° 25' 26" East 120.92 feet) to a 3/4" rebar with cap set.

THENCE North 77° 17' 44" East, along the southerly boundary of Berry Road, a distance of 478.60' to a 3/4" rebar with cap set.

THENCE northeasterly, along the southeasterly boundary of Berry Road and along a 458.04' radius curve to the left, an arc length of 566.68' (having a chord of North 41° 51' 10" East 531.23') to a 3/4" rebar with cap set.

THENCE North 06° 24' 37" East, along the easterly boundary of Berry Road, a distance of 145.72' to a 3/4" rebar with cap set.

THENCE northerly, along the easterly boundary of Berry Road and along a 392.04' radius curve to the right, an arc length of 210.12' (having a chord of North 21° 45' 54" East 207.62') to a 3/4" rebar with cap set.

THENCE South 35° 53' 58" East a distance of 379.00' to a 3/4" rebar with cap set. THENCE South 22° 51' 01" West a distance of 495.00' to a 3/4" rebar with cap set. THENCE South 04° 57' 14" West a distance of 370.00' to a 3/4" rebar with cap set. THENCE South 43° 44' 13" East a distance of 230.00' to a 3/4" rebar with cap set. THENCE South 84° 25' 39" East a distance of 155.00' to a 3/4" rebar with cap set. THENCE North 44° 43' 14" East a distance of 320.00' to a 3/4" rebar with cap set THENCE South 05° 24' 58" East a distance of 537.51' to a 3/4" rebar with cap set. THENCE South 85° 55' 38" West a distance of 57.42' to a 3/4" rebar with cap set.

THENCE South 05° 24' 58" East a distance of 196.50' to a 3/4" rebar with cap set.

THENCE South 50° 29' 13" West a distance of 456.54' to a point.

THENCE South 79° 59' 58" West a distance of 120.00' to a 3/4" rebar with cap set.

THENCE continuing South 79° 59' 58" West a distance of 421.21' to a 3/4" rebar with cap set.

THENCE North 59° 02' 09" West a distance of 174.57' to a 3/4" rebar with cap set.

THENCE North 69° 43' 29" West a distance of 211.86' to a 3/4" rebar with cap set.

THENCE continuing North 69° 43' 29" West a distance of 24.92' to a point in the centerline of Hunts Creek Road.

THENCE northerly, along the centerline of Hunts Creek Road and along a 515.00' radius curve to the left, an arc length of 296.10' (having a chord of North 10° 35' 02" East 292.04') to a point.

THENCE continuing northerly along the centerline of Hunts Creek Road and along a 654.60' radius curve to the left, an arc length of 215.90' (having a chord of North 13° 02' 45" West 214.92') to a point.

THENCE continuing northerly along the centerline of Hunts Creek Road and along a 900.00' radius curve to the left, an arc length of 181.71' (having a chord of North 28° 21' 18" West 181.40') to a point.

THENCE North 34° 08' 20" West, along the centerline of Hunts Creek Road, a distance of 503.77' to the POINT OF BEGINNING.

EXHIBIT "B"

SEE ATTACHED PILOT SCHEDULE

PROPOSED PAYMENT-IN-LIEU-OF-TAX

The following is a deviation from the standard PILOT offered to Crown Cork & Seal USA.

Year	Estimated PILOT payment amount	Estimated Real Property Tax*
1	\$300,000	\$1,340,798
2	\$300,000	\$1,367,614
3	\$300,000	\$1,394,966
4	\$300,000	\$1,422,865
5	\$300,000	\$1,451,322
6	\$300,000	\$1,480,349
7	\$300,000	\$1,509,956
8	\$300,000	\$1,540,155
9	\$300,000	\$1,570,958
10	\$300,000	\$1,602,377
11	\$303,000	\$1,634,425
12	\$306,030	\$1,677,113
13	\$309,090	\$1,700,456
14	\$312,180	\$1,734,465
15	\$315,301	\$1,769,154
16	\$318,454	\$1,804,537
17	\$321,638	\$1,840,628
18	\$324,854	\$1,877,440
19	\$328,102	\$1,914,989
20	\$331,383	\$1,953,289
21	\$334,696	\$1,992,355
22	\$338,042	\$2,032,202
23	\$341,422	\$2,072,846
24	\$344,836	\$2,114,303
25	\$348,284	\$2,156,589
26	\$351,766	\$2,199,721
27	\$355,283	\$2,243,715
28	\$358,835	\$2,288,589
29	\$362,423	\$2,334,361
30	\$366,047	\$2,381,048
31	\$2,428,669	\$2,428,669
	\$12,100,335	\$56,822,252