

PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT, effective as of [Closing Month] 1, 2026 (this "Agreement"), is made by and among:

- A. the **CITY OF COVINGTON, KENTUCKY**, a municipal corporation and political subdivision of the Commonwealth of Kentucky (the "City");
- B. the **COUNTY OF KENTON, KENTUCKY**, a county and a political subdivision of the Commonwealth of Kentucky (the "County");
- C. the **KENTON COUNTY SCHOOL DISTRICT, KENTUCKY**, a body politic and corporate of the Commonwealth of Kentucky (the "School District"); and
- D. **BUILDING MARFOFMA CORP.**, a Delaware corporation, with a mailing address of 450 7th Avenue, Suite 1501, New York, New York 10123, its successors and assigns (the "Corporation").

RECITALS

WHEREAS, the City, by and through its Board of Commissioners, is a municipal corporation and political subdivision of the Commonwealth of Kentucky existing under Chapter 83A of the Kentucky Revised Statutes ("KRS"), with the authority under KRS 92.280 to levy ad valorem taxes for city purposes on all property subject to local taxation ("City Property Taxes"); and

WHEREAS, the County, by and through its Fiscal Court, is a political subdivision of the Commonwealth of Kentucky existing under KRS, Chapter 67, with the authority under KRS 67.083 to levy ad valorem taxes for county purposes on all property subject to local taxation ("County Property Taxes"); and

WHEREAS, the School District, by and through the Board of Education of Kenton County, Kentucky, is a body politic and corporate existing under KRS 160.160 with the authority under KRS 160.460 through 160.476 to levy ad valorem taxes for school purposes on all property subject to local taxation ("School Property Taxes" and, collectively with City Property Taxes and County Property Taxes, "Local Property Taxes"); and

WHEREAS, the Corporation or an affiliate thereof, in reliance upon the agreements of the City, County, and School District contained in this Agreement, acquired certain real property on January 12, 2026 (the "Acquisition Date"), and will construct, improve, and equip an industrial building as defined in KRS 103.200(1)(a) and (g), located on certain real property in the City, as further described in Exhibit A attached hereto (the "Project"), which is located within the geographic boundaries of the City, the County, and the School District; and

WHEREAS, the Project represents new investment by the Corporation and is expected to generate new employment of at least 98 new, full-time positions with at least 78 located within the City, the County, and the School District and subject to Kentucky individual income tax; and

WHEREAS, on February __, 2026, the City adopted a Bond Inducement Order (the "Order") providing for, among other things, the issuance of taxable industrial building revenue bonds in an aggregate principal amount not to exceed \$37,000,000 (the "Bonds") for the benefit of the Corporation, pursuant to KRS 103.200 to 103.285, inclusive (the "Act"), to pay, reimburse or otherwise finance the acquisition,

construction, installation, and equipping of the Project, to acquire title to the Project, and to lease said Project back to the Corporation, all pursuant to the Act; and

WHEREAS, the City and the Corporation agree that the Corporation will convey title to the Project to the City and the City will lease the entire Project back to the Corporation, pursuant to the Act, for so long as the Bonds are outstanding, with an option for the Corporation to purchase the Project upon defeasance of the Bonds; and

WHEREAS, a condition of the City's agreement to enter into the documents necessary to vest title to the Project in the City thereby exempting the Project from Local Property Taxes pursuant to KRS 103.285, and to effect the lease of the Project to the Corporation, the Corporation has agreed to make certain payments to the City, the County, and the School District in lieu of their respective shares of the Local Property Taxes and to enter into this Agreement with respect thereto;

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the mutual agreement of the parties contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Recitals Incorporated . It is hereby found, determined, and declared that the recitals set forth in the preambles to this Agreement, including the definitions contained therein, are true and correct and are hereby incorporated in this Section 1 by reference.

Section 2. Project Exempt from Taxation . It is understood, acknowledged, and agreed by the parties that pursuant to KRS 103.285, the Project is exempt from ad valorem taxation by the City, the County, the School District, and other political subdivisions in Kentucky to the same extent as other public property used for public purposes, so long as the same is owned by the City.

Section 3. Agreement to Make Local PILOT Payments . In consideration of the City's agreement to issue the Bonds, and take all other actions authorized by the Order, the Corporation hereby agrees that in each calendar year during the term of this Agreement with respect to the Bonds beginning on the first January 1st assessment date following the issuance of the Bonds and continuing through and including the tenth January 1st assessment date (each an "Assessment Date") that the City owns the Project, the Corporation shall make a payment to each of the City, the County, and/or the School District computed as indicated below for each of the ten Assessment Dates during the term of the Bonds.

The annual payment to each shall be equal to the percentage specified in the table below (the "PILOT Percentage") of the amount of all Local Property Taxes levied on the Project for each respective Assessment Date by the City, the County, and the School District, respectively, that otherwise would have been due and payable to each, if the Project were owned by a tax-paying entity and subject to payment of Local Property Taxes absent the application of KRS 103.285 (each, respectively, a "City PILOT Payment", "County PILOT Payment" and "School PILOT Payment" and, collectively, the "Local PILOT Payments").

The parties hereto acknowledge and agree that the Local PILOT Payments required by this Agreement are a contractual obligation and do not constitute ad valorem taxes or any other form of governmental taxation, nor shall they impair any security or revenue pledged to the payment of the Bonds. The rights of the City, County, and School District to their respective shares of the Local PILOT Payments are independent and severable. No action, inaction, or waiver by any one taxing jurisdiction regarding any

payment due shall affect or impair the right of any other jurisdiction to independently enforce the terms of this Agreement.

The PILOT Percentage by taxing jurisdiction for each of the Assessment Dates is as follows:

TAXING JURISDICTION	PILOT PERCENTAGE
City of Covington	50% for years 1 – 10
County	50% for years 1 – 10
School District	50% for years 1 – 10

Section 4. Calculation of Local PILOT Payments . The aggregate amount of the Local PILOT Payments in each calendar year such payments are due hereunder shall be equal to (a) the Fair Cash Value (as hereinafter defined) of the Project as of January 1st of such calendar year, multiplied by (b) the sum of the ad valorem tax rates levied by the City, the County, and/or the School District for such calendar year, and further multiplied by (c) the PILOT Percentage. If, in any calendar year during which the foregoing calculation is made, the City, the County, and/or the School District has levied different ad valorem tax rates on different classes of property subject to Local Property Taxes, the foregoing calculation shall be made separately for each such class of property that is included within the Project.

Section 5. Determination of Fair Cash Value of the Project . The Kenton County Property Valuation Administrator (the “PVA”) is responsible for establishing the assessed value of all property—both real and personal— within the County for the purpose of imposing real and personal property taxes. The Department of Revenue, Kentucky Finance and Administration Cabinet (the “Department”), oversees the assessment of real and personal property throughout the Commonwealth. The “Fair Cash Value” of the real property portion of the Project shall be as determined annually by the PVA as if the Project were owned by a tax-paying entity. The “Fair Cash Value” of the personal property portion of the Project shall be annually determined using its original cost, age, and the applicable trending tables published by the Department in its Form 62A500 (Tangible Personal Property Tax Return), adjusted to take into account the scrapping, removal, or other disposition of personal property in the ordinary course of business.

Section 6. Valuation Appeal Rights . Each of the City, the County, the School District, and the Corporation shall have the right at its own expense and in its own name and without any expense to any other party, to seek and prosecute in good faith an adjustment, by administrative appeal or litigation or otherwise, of any tax assessment made by the PVA of the real property portion of the Project, and if any adjustment is made the PILOT Payments shall be calculated based upon the assessment resulting from such adjustment. If for any reason the Project or any part of the property included within the Project is legally placed on the ad valorem tax rolls, the obligation of the Corporation to make the PILOT Payments shall terminate with respect to that property on and after January 1st of the following calendar year, and the owner of that property shall thereafter pay ad valorem taxes on that property as required of a tax-paying entity.

Section 7. Timing of Local PILOT Payments . Any Local PILOT Payments payable in a calendar year hereunder shall be paid at the same time and in the same manner as are City Property Taxes for such calendar year, except that the Corporation shall deliver the City PILOT Payment, the County PILOT Payment, and the School PILOT Payment to the City, the County, and the School District, respectively, at the addresses provided in Section 9 below, instead of the regular tax collector. The Local PILOT Payments for each such calendar year shall be due and payable in full no later than December 31st of that year or a later date established pursuant to KRS 134.015; provided, however, if the Corporation pays a Local PILOT Payment to the applicable taxing entity on or before any discount date established pursuant to KRS 134.015 or the City’s Code of Ordinances, the Corporation may reduce said PILOT

Payment by the corresponding discount percentage, and provided further that if the Corporation pays a Local PILOT Payment after December 31st or a later due date established pursuant to KRS 134.015, the Corporation shall increase said PILOT Payment by the corresponding penalty percentage established by KRS 134.015 or the City’s Code of Ordinances.

Section 8. Termination; Modification . This Agreement shall terminate on the day immediately following the first date on which either (a) no Bonds remain outstanding or (b) the City no longer owns the Project, whichever occurs first. Any modification to this Agreement must be in writing and requires the unanimous consent of the parties hereto or their respective successors-in-interest. No party may take any action to reduce, amend, or terminate this Agreement in a manner that would have a material adverse effect on the holders, from time to time, of the Bonds or otherwise impair revenues or security pledged to the payment of the Bonds.

Section 9. Notices . All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

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| If to the City, at: | City of Covington, Kentucky
20 West Pike Street
Covington, KY 41011 |
| If to the County, at: | County of Kenton, Kentucky
1840 Simon Kenton Way
Covington, Kentucky 41011 |
| If to the School District, at: | Kenton County School District
2044 Tuscanview Dr.
Covington, KY 41017 |
| If to the Corporation, at: | Building MarfoFMA Corp
450 7th Avenue
Suite 1501
New York, New York 10123
Attn: Arnaud Prévéraud |
| With a copy to: | Taft Stettinius & Hollister LLP
111 E. Wacker Drive, Suite 2600
Chicago, IL 60601
Attention: Adam M. Law |

The City, the County, the School District, and the Corporation may by notice given hereunder designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

Section 10. Entire Agreement . This Agreement is executed in connection with the issuance of the Bonds and acquisition of title to the Project by the City, the leasing of the Project by the City to the Corporation pursuant to a lease agreement, and the execution of related documents (collectively, the Bond Documents”). Except as set forth in the Bond Documents, this Agreement contains all of the agreements and conditions made between the parties hereto regarding the subject matter of this Agreement and there are no other agreements or understandings, written or oral, between the parties relating to the subject matter of this Agreement. In the event of any conflict, inconsistency, or ambiguity between the provisions of this

Agreement and the provisions of the Bond Documents, the provisions of the Bond Documents shall in all instances control, and any interpretation of this Agreement must be consistent with the requirements set forth in the Bond Documents. Any exhibits attached hereto, and all terms and provisions thereof, are deemed to be a part hereof as if fully set forth herein and are deemed to be incorporated by reference herein. This Agreement supersedes all prior agreements and understandings, written and oral, between the parties with respect to such subject matter. The invalidity, illegality, or unenforceability of any provision of this Agreement will not affect the validity, legality, or enforceability of the remaining provisions.

Section 11. Binding Effect . The execution and delivery of this Agreement has been duly authorized by all necessary action on the part of the parties, and this Agreement constitutes a legal, valid, and binding obligation of each party, enforceable in accordance with its terms. No authorization, approval or consent by, or filing with, any additional governmental or public regulatory authority is necessary therefor. This Agreement shall inure to the benefit of and shall be binding upon the City, the County, the School, the Corporation, and their respective successors and assigns.

Section 12. Signatures . This 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. Signatures to this Agreement delivered via facsimile, DocuSign, or other electronic transmission shall be effective signatures and deemed original signatures for all purposes. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Agreement are intended to authenticate this Agreement and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures and DocuSign signatures.

Section 13. Applicable Law . This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

Section 14. Time of Essence; Captions . Time is hereby declared to be of the essence in the performance of all obligations of this Agreement and of every part thereof. This Agreement has been reviewed and negotiated by both parties and shall be construed and interpreted according to the ordinary meanings of the words used so as to accomplish fairly the purposes and intentions of the parties hereto. The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

Section 15. Section 15 . The parties acknowledge the Corporation's upfront payment of one-half percent (0.50%) of the face value of the Bonds paid to the City as of the date hereof.

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SIGNATURE PAGE TO PAYMENT IN LIEU OF TAXES AGREEMENT

To indicate their understanding of and agreement to the foregoing, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF COVINGTON, KENTUCKY

By: _____
Name: Ronald L. Washington
Its: Mayor

KENTON COUNTY, KENTUCKY

By: _____
Name: Kris Knochelmann
Its: County Judge/Executive

**KENTON COUNTY SCHOOL DISTRICT,
KENTUCKY**

By: _____
Name: _____
Its: _____

**BUILDING MARFOFMA CORP., a Delaware
Corporation**

By: _____
Name: _____
Its: _____

EXHIBIT A
PLAT OF PROPERTY

PARCEL 1:

Situate in the County of Kenton, Commonwealth of Kentucky, to-wit:

Being all of Lot No. 2, Section 1, Pioneer Valley Industrial Park, as shown at Plat Slide B-730, of the Kenton County Clerk 'a records at Independence, Kentucky.

Being the same property conveyed to White Castle Distributing, Inc., a Delaware corporation, by deed filed for record February 20, 1991 and recorded in Volume 340, Page 348 of the Kenton County, Kentucky.

PPN: 043-00-00-100.01

Property Address: 2009 Rolling Hills Drive, Covington, KY 41017

PARCEL 2:

Situate in the County of Kenton, Commonwealth of Kentucky, to-wit

A certain tract of land situated on the Easterly most side of KY 17 (Madison Pike) in the City of Covington, County of Kenton, Commonwealth of Kentucky, and being a portion of the land of Martin L. Taylor as described in Deed Book 166, Page Number 69 of the Kenton County Clerk Recorder's office in Independence, Kentucky and being bounded on the North by Lot Number 2 of the Pioneer Valley Industrial Park, and being more particularly described as follows:

Beginning at a recovered steel pin the right of way of said KY 17, being the Southwesterly most corner of said Lot Number 2 of the Pioneer Valley Industrial Park;

Thence leaving said right of way of KY 17 and continuing with the Southerly most line of said Lot Number 2 South 84 deg. 37' 23" East for a distance of 281.11 feet to a set steel pin;

Thence, leaving the Southerly most line of said Lot Number 2 and continuing South 05 deg. 22' 37" West for a distance of 146.37 fee to a set steel pin;

Thence, continuing North 84 deg. 37' 23" West for a distance of 345.73 feet to a set steel pin in the right of way of existing KY 17;

Thence, continuing with the said right of way of KY 17, North 29 deg. 11' 50" East for a distance of 160.00 feet to the said Point of Beginning.

The above described property is also known as Lot 2-A, Pioneer Valley Industrial Park as set forth on Plat Slide A-264. Plat Slide A-264 states Lot 2-A is intended to be part of Lot 2 and contains a restriction requiring Lot 2 and Lot 2-A shall be sold or leased together as one and are intended to be one contiguous lot.

Being the same property conveyed to White Castle Distributing, Inc., a Delaware corporation, by deed filed March 4, 1998 and recorded in Volume 445, Page 300 , of the Kenton County, Kentucky.

PPN: 043-00-00-100.05

Property Address: 2009 Rolling Hills Drive, Covington, KY 41017