

LOAN MODIFICATION AGREEMENT

THIS LOAN MODIFICATION AGREEMENT (this "Agreement"), is entered into this 9 day of September, 2022, by and among **MAD BATTERS PASTRIES LLC**, a domestic limited liability company with a mailing address of P.O. Box 356, Milton, New York 12547 (hereinafter referred to as "Borrower"), **KRISTIN BARNEY, n/k/a KRISTIN BELL**, an individual with a mailing address of P.O. Box 356, Milton, New York 12547 (hereinafter referred to as "Guarantor"; Borrower and Guarantor are sometimes collectively referred to herein as "Obligors") and the **ULSTER COUNTY ECONOMIC DEVELOPMENT ALLIANCE, INC.**, with an address at 244 Fair Street, Kingston, New York 12402 (hereinafter referred to as the "UCEDA").

WHEREAS, on January 24, 2019, Borrower and UCEDA entered into a Business Loan Agreement, wherein UCEDA agreed to lend to Borrower the sum of THIRTY-FIVE THOUSAND AND 00/100 (\$35,000.00) Dollars to be evidenced by a promissory note, a certain security agreement and certain personal guarantees (the "Business Loan Agreement"); and

WHEREAS, on January 24, 2019, Borrower executed a Promissory Note in favor of UCEDA in the principal sum of THIRTY-FIVE THOUSAND AND 00/100 (\$35,000.00) Dollars (the "Note"); and

WHEREAS, on January 24, 2019, Borrower executed a Security Agreement in favor of UCEDA covering all existing machinery, equipment, furniture, fixtures and fixed assets of the Borrower, owned or acquired thereafter (the "Security Agreement"); and

WHEREAS, as additional security for the Borrower's obligations under the Note and other obligations of any kind of the Borrower to UCEDA the Guarantor executed and delivered an Absolute Guaranty of Payment on January 24, 2019, (the "Guaranty") pursuant to which the Guarantor guaranteed absolutely and unconditionally, to UCEDA the payment of the debt as evidenced by the Business Loan Agreement, the Note, and the Security Agreement (collectively referred to herein as the "Loan Documents" or "Obligations"); and

WHEREAS, on March 7, 2020, the Governor of New York declared a disaster emergency for the State of New York due to the COVID-19 pandemic; and

WHEREAS, the Governor of New York and the New York State Department of Financial Services have issued recommendations that lenders help alleviate the adverse impact of the pandemic on small businesses by offering payment accommodations such as deferrals of payments;

WHEREAS, in accordance with New York State guidelines, the Lender's Board of Directors voted to allow borrowers requesting assistance due to the pandemic to forego payment of principal, interest, fees, and penalties for ninety (90) days to waive the accrual

of interest for ninety (90) days and to extend the term of their loans for ninety (90) days, for the period beginning July 1, 2020 and ending September 30, 2020; and

WHEREAS, the Borrower has requested, and UCEDA has agreed, to amend the Note to permit the Borrower to forego payment of principal, interest, fees, and penalties for ninety (90) days, to waive the accrual of interest for ninety (90) days, and to extend the term of the Note for ninety (90) days, for the period beginning July 1, 2020 and ending September 30, 2020; and

WHEREAS, Borrower and Guarantor acknowledge and agree that as of July 1, 2022 there is due and payable on the unpaid Obligations the principal sum of Twenty-One Thousand Five Hundred Ninety-Four and 92/100 (\$21,594.92) Dollars, together with interest in the sum of One Hundred Forty-Two and 62/100 (\$142.62) Dollars, with interest thereon; and Borrower and Guarantor further agree that all of the above referenced sums are due and owing from Borrower and Guarantor to UCEDA without counterclaim, defense, offset or right of reduction of any kind;

WHEREAS, UCEDA, the Borrower and Guarantor have agreed to modify and extend the term and recast the terms of payment of the amount due and payable on the Note.

NOW, THEREFORE, in consideration of the promises, and the undertakings herein including the payment by the Obligors to UCEDA of the amounts set forth in this Agreement, and for other good and valuable consideration, the parties hereto covenant and agree as follows:

1. **Reaffirmation of Existing Loan Documents.** Except as expressly provided otherwise in this Agreement, Borrower and Guarantor each agree that all terms and conditions of each of the Loan Documents do and shall remain in full force and effect, enforceable in accordance with their terms, without modification.

2. **Acknowledgement of Current Balance.** Each of the Obligors acknowledges, represents, and warrants that as of July 1, 2022 there is due and owing by the Obligors the principal sum of Twenty-One Thousand Five Hundred Ninety-Four and 92/100 (\$21,594.92) Dollars, together with interest in the sum of One Hundred Forty-Two and 62/100 (\$142.62) Dollars.

3. **Amendment of the Note.** The Note shall be amended to provide as follows:

A. The undersigned will pay eighty-four (84) successive monthly installments of principal and interest in the amount of \$478.41 each, the first such installment to be paid on March 1, 2019, and, except as provided in paragraph B, subsequent installments shall be paid on the first day of each succeeding calendar month until May 1, 2025, when all such payments have been made with interest at the rate of four percent (4%) per annum from the date hereof until paid.

B. No payment shall be due and no interest, fees, or penalties shall accrue for the period beginning July 1, 2020, and ending September 30, 2020.

4. **Delivery of Documents.** Simultaneously with the execution and delivery of this Agreement, Borrower shall execute and deliver to UCEDA the Amendment to Promissory Note substantially in the form attached hereto as Exhibit "A" (the amended Note and this Agreement are collectively referred to herein as the "Amendment Documents").

5. **Reaffirmation of Security Interests in Collateral.** Without limiting any of the terms and conditions of this Agreement or any document identified in Section "7" below, all collateral in which UCEDA has been granted a security interest to secure any of the Obligations shall continue to secure the Obligations.

6. **No Modification of any Guaranty.** Nothing in this Agreement is intended to constitute, shall be deemed to constitute, or is a waiver, estoppel, postponement, release, relinquishment, abandonment or any abrogation or modification of, any term or condition of any Guaranty or any other Obligation, other than as expressly provided in this Agreement.

7. **Conditions Precedent.** As a condition precedent to UCEDA's obligations under this Agreement, the Obligors must deliver, or cause to be delivered, to UCEDA fully executed original counterparts of the following documents:

- (a) this Agreement;
- (b) the Amendment to Promissory Note.

8. **Events of Default.** If there shall occur any of the following (each, an "Event of Default"):

- (a) Any breach or default of any Obligor of or under any of the terms and conditions of this Agreement, that has not been cured within any applicable notice or grace period; or
- (b) Any breach or default by any Obligor of or under any of the other amended documents, that have not been cured within any applicable notice or grace period;

then UCEDA may immediately exercise any of its rights and remedies as set forth in Section 9 (c) below.

9. **Further Certification; Agreement Regarding Subsequent Default.** Each Obligor certifies and acknowledges that:

- (a) This Agreement and the Loan Documents are valid and enforceable, and the Obligors do not contest the validity or enforceability of any such Loan

Documents, in each case to the extent modified by the Amendment Documents.

- (b) No representation, warranty or promise has been made by, or on behalf of, UCEDA that is inconsistent with the terms of any Loan Document, including specifically any Amendment Document, and the Obligors have not relied on any representation or warranty whatsoever in entering into any Loan Document, including specifically any amendment document.
- (c) In the event of an Event of Default by any Obligor, each of the following provisions shall apply:
 - i. UCEDA may exercise immediately, singularly, consecutively and cumulatively, at such times, with such frequency and in such order as UCEDA may elect, any and all of UCEDA's rights and remedies under the Loan Documents. UCEDA shall have no obligation to proceed under any Loan Document, or against any Obligor, in any particular order, or any obligation to pursue any other guarantee, collateral or other security, prior to pursuing any of its rights under any of the Loan Documents. The taking of action by UCEDA under one or more of the Loan Documents shall not otherwise affect its right to take further action under any of the Loan Documents; and
 - ii. No such exercise of any right or remedy by UCEDA under subparagraph (i) above shall constitute, or be deemed to constitute, an election of remedies.

10. **Miscellaneous.**

- (a) Successors and Assigns. All covenants, agreements, representations and warranties made herein, or in any documents delivered in connection herewith, by or on behalf of any party, shall survive the execution and delivery of this Agreement and shall continue in full force and effect, and shall bind and inure to the benefit of the successors and permitted assigns of the parties.
- (b) No Assignment. No Obligor may assign its rights or delegate its obligations hereunder without the prior consent of UCEDA, which consent may be granted or withheld in UCEDA's sole and absolute discretion.
- (c) Amendment and Waiver. No provision of this Agreement or the other Loan Documents may be changed or modified orally or by any other electronic means except and unless such amendment, modification, waiver or discharge is in writing and executed by the parties to this Agreement.
- (d) Notices. Unless otherwise specified herein, all notices, requests, consents, approvals, demands or other communications to or from the parties hereto shall be

in writing and delivered by hand, by certified or registered mail, return receipt requested, or by Federal Express Mail, or other nationally recognized overnight carrier Except where otherwise specifically defined within this Agreement, notices shall be effective when received. Any such notice, request, demand or other communication shall be delivered or addressed as follows:

- (i) if to the Borrower, then to the address of the Borrower first listed above;
 - (ii) if to any Guarantor, then to the address of such Guarantor first listed above;
 - (iii) if to UCEDA, then to the address of UCEDA first listed above.
- (e) Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed an original and all of which taken together shall constitute one and the same agreement. Execution and delivery by electronic or facsimile signature shall constitute valid and sufficient execution and delivery.
 - (f) Prior Understandings. This Agreement supersedes any other understanding that addresses the subject matter of this Agreement.
 - (g) Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
 - (h) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.
 - (i) Conflict With Other Agreements. In the event of any conflict between the terms, covenants and conditions of this Agreement and any of the other Loan Documents, the terms, covenants and conditions of this Agreement shall control.
 - (j) Headings and Defined Terms. The Sections and other headings contained in this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation hereof in any respect. All capitalized terms, acronyms, and/or abbreviations shall have the meanings ascribed to them by this Agreement.

*** Signature Page Follows ***

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

MAD BATTERS PASTRIES LLC

By: Kristin Bell
Print Name: Kristin Barney n/k/a Kristin Bell
Title: Member

GUARANTOR

Kristin Bell
Print Name: Kristin Barney n/k/a Kristin Bell

**ULSTER COUNTY ECONOMIC
DEVELOPMENT ALLIANCE, INC.**

By: [Signature]
Print Name: Timothy Weidemann
Title: President/Chief Executive Officer


STATE OF NEW YORK)

ss.:

COUNTY OF ULSTER)

On this 8 day of September, 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared **Kristin Barney n/k/a Kristin Bell**, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individuals, or the persons upon behalf of which the individuals acted, executed the instrument.

KENDRA A. MINARD
Notary Public, State of New York
No. 01MIS084358
Qualified in Ulster County
Commission Expires August 12, 2026



Notary Public

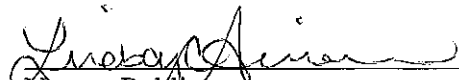
STATE OF NEW YORK)

ss.:

COUNTY OF ULSTER)

On this 18th day of November, 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared **Timothy Weidemann**, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individuals, or the persons upon behalf of which the individuals acted, executed the instrument.

LINDSAY C. SIMONSON
Notary Public, State of New York
No. 02SI6377883
Qualified in Ulster County
Commission Expires July 16, 2026



Notary Public

EXHIBIT A
AMENDMENT TO PROMISSORY NOTE

THIS AMENDMENT TO PROMISSORY NOTE (this "Amendment") is entered into this 8 day of September, 2022 by and among **MAD BATTERS PASTRIES LLC** (hereinafter referred to as "Borrower"), and **KRISTIN BARNEY, n/k/a KRISTIN BELL** (hereinafter referred to as "Guarantor"; Borrower and Guarantor are sometimes collectively referred to herein as the "Obligors") and the **ULSTER COUNTY ECONOMIC DEVELOPMENT ALLIANCE, INC.** (hereinafter referred to as the "UCEDA").

WHEREAS, on January 24, 2019, Borrower issued to UCEDA a Promissory Note (the "Note") in the principal sum of THIRTY-FIVE THOUSAND AND 00/100 (\$35,000.00) DOLLARS; and

WHEREAS, on January 24, 2019, Guarantors executed and delivered an Absolute Guaranty of Payment as additional security for Borrower's obligations under the Note; and

WHEREAS, Obligors acknowledge and agree that as of July 1, 2022 there is due and payable on the Note the principal sum of Twenty-One Thousand Five Hundred Ninety-Four and 92/100 (\$21,594.92) Dollars, together with interest in the sum of One Hundred Forty-Two and 62/100 (\$142.62) Dollars, with interest thereon; and Obligors further agree that all of the above referenced sums are due and owing from Obligors to UCEDA without counterclaim, defense, offset or right of reduction of any kind; and

WHEREAS, on March 7, 2020, the Governor of New York declared a disaster emergency for the State of New York due to the COVID-19 pandemic; and

WHEREAS, the Governor of New York and the New York State Department of Financial Services have issued recommendations that lenders help alleviate the adverse impact of the pandemic on small businesses by offering payment accommodations such as deferrals of payments; and

WHEREAS, in accordance with State guidelines, the UCEDA's Board of Directors voted to allow borrowers requesting assistance due to the pandemic to forego payment of principal, interest, fees, and penalties for ninety (90) days, to waive the accrual of interest for ninety (90) days, and to extend the term of their loans for ninety (90) days, for the period beginning July 1, 2020 and ending September 30, 2020; and

WHEREAS, the Borrower has requested, and UCEDA has agreed, to amend the Note to permit the Borrower to forego payment of principal, interest, fees, and penalties for ninety (90) days, to waive the accrual of interest for ninety (90) days, and to extend the term of the Note for ninety (90) days, for the period beginning July 1, 2020 and ending September 30, 2020; and

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the Obligors and UCEDA hereby agree as follows:

1. Section 1 of the Note is hereby deleted in its entirety and replaced with the following:

A. The undersigned will pay eighty-four (84) successive monthly installments of principal and interest in the amount of \$478.41 each, the first such installment to be paid on March 1, 2019, and, except as provided in paragraph B, subsequent installments shall be paid on the first day of each succeeding calendar month until May 1, 2025, when all such payments have been made with interest at the rate of four percent (4%) per annum from the date hereof until paid.

B. No payment shall be due and no interest, fees, or penalties shall accrue for the period beginning July 1, 2020, and ending September 30, 2020.

2. Except as amended by this Amendment, the Note shall remain in full force and effect, enforceable in accordance with its terms.

3. In the event of a conflict between the Note and this Amendment, the terms and conditions of this Amendment shall control.