

TAX INCREMENTAL DISTRICT DEVELOPMENT AGREEMENT

THIS TAX INCREMENTAL DISTRICT DEVELOPMENT AGREEMENT (the “**Agreement**”) is entered into as of October 19, 2026 (the “**Effective Date**”) by and among the CITY OF SHEBOYGAN (the “**Municipality**”), a Wisconsin municipal corporation, and THE MIGHTY THREE STRIPE, LLC, a Wisconsin limited liability company (“**Developer**”).

RECITALS

A. The Municipality intends to create Tax Incremental District No. 27 (“**District**”) as an industrial tax increment district under the Municipality’s proposed project plan (the “**Project Plan**”) in order to finance various project costs within the District subject to approvals by the Municipality’s Common Council and the Joint Review Board for the District pursuant to Wis. Stat. § 66.1105 (the “**TI Act**”).

B. Developer owns the real property located in the District described in greater detail in Exhibit A attached hereto and incorporated herein by reference (collectively, the “**Property**”).

C. Developer, pursuant to the terms and conditions of this Agreement, is obligated to, among other things, construct an approximately 90,098 square foot manufacturing facility on the Property (the “**Project**”).

D. Developer acknowledges that but for the MRO (as defined below) provided by the Municipality in this Agreement, Developer would not move forward with the Project.

E. The Municipality believes it is appropriate to use tax increments from the District to provide for, among other things, the construction of the Municipality Improvements (as defined below) and the MRO for the benefit of the District to facilitate development and redevelopment within the District and to provide incentives for such improvements and redevelopment.

F. The Municipality further believes that the Project, as described in this Agreement, is in the best interests of the Municipality and its residents and is reasonably consistent with the public purposes and the development expectations of the Municipality, including, but not limited to, expanding tax base and employment opportunities within the Municipality.

NOW, THEREFORE, the Municipality and Developer, in consideration of the terms and conditions contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, each agrees as follows:

AGREEMENT

ARTICLE I – REQUIRED INFORMATION; DISTRICT CREATION; TERMINATION

1.1 Required Information. The Municipality shall have no obligations under this Agreement, and shall have the right to terminate this Agreement in accordance with the provisions of Section 1.3 below, if the Required Information (as defined below) has not been timely provided by the Developer to the Municipality in form and substance reasonably acceptable to the

Municipality. On or before December 1, 2026, Developer shall provide to the Municipality the following required information related to the Project (collectively, the “**Required Information**”) and such other documentation as the Municipality may request, both in form and in substance acceptable to the Municipality:

(a) An owner’s policy of title insurance issued by a title insurance company licensed to do business in Wisconsin identifying Developer as the insured/owner of the Property (the “**Property Commitment**”) and containing copies of all easements, restrictions, encumbrances, leases or other documents of record affecting the Property (collectively, “**Property Exceptions**”). None of the Property Exceptions shall interfere with the proposed development of the Project.

(b) A schedule for the construction of Developer Improvements (as defined below) and identifying the following for the Project:

(i) Intended commencement and completion date,

(ii) Reasonably estimated costs associated with the construction, and

(iii) Reasonably estimated value, upon completion, of the intended improvements to be constructed on the Property.

(c) An estimated cost breakdown and construction budget summary listing the intended cost of each improvement and construction expense for the Project, including, without limitation, all hard costs and soft costs, and the cost breakdown and budget shall be certified in writing by Developer and Developer’s general contractor.

(d) Documentation confirming that Developer has complied with all necessary federal, state, county, and municipal laws, ordinances, rules, regulations, directives, orders, and requirements necessary to obtain the governmental approvals relating to the Project. Developer shall also provide copies of all approvals by all applicable government bodies and agencies (including, without limitation, municipal or state issued building permits for the Project).

(e) A copy of the final construction plans and complete specifications for the intended construction related to the Project that are consistent with the provisions of this Agreement (the “**Final Plans**”). The Final Plans must be certified as final and complete and be signed by Developer, the consulting engineer, architect and the general contractor (as applicable) and approved by the Municipality in writing.

(f) All documents authorizing the construction and financing of the Project and directing the appropriate officer of Developer to execute and deliver this Agreement and all other agreements, documents and contracts required to be executed by it in connection with the transactions which are the subject of this Agreement (including, without limitation, authorizing resolutions of Developer).

(g) On or before the Effective Date, Developer shall provide the Municipality with all documents authorizing the appropriate officer of Developer to execute and

deliver this Agreement (including, without limitation, authorizing resolutions of Developer).

1.2 Creation of the District. Subsequent to the Effective Date, the Municipality shall make good faith efforts to create the District by initiating and reasonably pursuing the statutory process for the creation of a tax incremental district pursuant to the TI Act.

1.3 Termination Rights. If the Municipality does not receive the approval of the District and the Project Plan by the Common Council and the Joint Review Board, as required by Sections 66.1105(4) and 66.1105(4m) of the TI Act, the Municipality shall have the right to terminate this Agreement and shall have no obligation to perform any act under this Agreement (including, without limitation, issuing the MRO). If Developer fails to fully and timely provide the Required Information, as determined in the sole discretion of the Municipality, the Developer shall be in Default under this Agreement. If Developer does not provide such Required Information within thirty (30) calendar days after the Municipality provides Developer written notice of such Default(s), the Municipality shall have the right to terminate this Agreement and shall have no obligation to perform any act under this Agreement (including, without limitation, issuing the MRO, completing any Municipality Improvements or making any payment on the MRO).

ARTICLE II– COMMENCEMENT NOTICE AND DEVELOPER IMPROVEMENTS

2.1 Commencement Notice. On or before December 30, 2026, Developer shall provide a written notice to the Municipality (using the notice form provided by the Municipality) of Developer’s intention to commence the Project (the “**Commencement Notice**”). To be effective, the Commencement Notice shall be accompanied by, or Developer shall have previously delivered to the Municipality, all of the Required Information. If Developer does not timely provide the Commencement Notice and all of the Required Information to the Municipality, Developer will be deemed to not be ready to develop the Project and be in Default under this Agreement. If Developer does not cure all outstanding Default(s) within thirty (30) calendar days after the Municipality provides Developer written notice of such Default(s), the Municipality shall have no obligation to perform any obligation of the Municipality under this Agreement (including, without limitation, issuing the MRO) and the Municipality may terminate this Agreement.

2.2 Developer Improvements. Developer shall undertake, at Developer’s own expense, the following improvements, obligations and work on the Property consistent with the Final Plans and all applicable laws, regulations and ordinances (collectively, the “**Developer Improvements**”):

(a) Developer shall construct and timely complete the Project. Developer shall commence construction of the Project (as evidenced by the installation of footings for the building) as set forth in the site plan attached as Exhibit B) on or before December 30, 2026. Upon such commencement, Developer shall proceed to the fully-satisfy and complete all of the improvements, obligations and work set forth in this Section 2.2 with due diligence and without unreasonable delay or interruption (with the exception of force majeure events, if any, as defined in Section 17.10 below). On or before December 31,

2027 (the “**Completion Date**”), the Project shall be completed and available for occupancy.

(b) Developer shall promptly pay for all applicable Municipality impact fees and charges related to the Project. As additional consideration to Developer for this Agreement, and so long as no Default occurs under this Agreement, the Municipality agrees to defer the due date for the payment of impact fees to on or before thirty (30) calendar days after the earlier of Developer receiving: (i) a certificate of occupancy for the Project, or (ii) a certificate of substantial completion from Developer’s architect for the Project.

(c) Except for the Municipality Improvements to be performed by the Municipality and set forth in ARTICLE IV below, Developer shall install, or have installed on the Property:

(i) all landscaping, including, without limitation, trees, shrubs, seeding or sod related to the Project;

(ii) all electric, gas, fiber-optic, telephone and cable services and all improvements for the use and operation of the Project;

(iii) all sanitary sewer and water laterals on the Property, as well as connections of such laterals to new or existing sewer and water mains;

(iv) all storm water drainage systems and facilities on the Property, including drain tiles, pipes, detention ponds and retention ponds, consistent with all applicable laws, regulations and specifications for such systems and facilities; and

(v) all erosion control measures related to Project and the construction of all improvements on the Property.

(d) Developer shall be responsible for all costs related to the work to be performed by Developer under this Agreement, including, but not limited to, all applicable engineering, inspections, materials, labor, permit, impact, license and any and all other fees.

The obligations on Developer under this Agreement shall be deemed covenants running with the land and shall be applicable to Developer’s successors and assigns and all other persons or entities acquiring any interest in the Property during the term of the District.

2.3 Progress and Quality of Work. Upon commencement of the Developer Improvements, Developer shall proceed to the full completion of the Developer Improvements with due diligence and without delay or interruption with the exception of force majeure events, if any, as defined in Section 17.10 below. Subject to the foregoing, completion of the Project shall occur on or before the Completion Date. All work to be performed by or on behalf of Developer related to the Project shall be performed in a good and workmanlike manner, consistent with the prevailing industry standards for such work in the area of the Municipality.

2.4 Compliance Obligations. All of the Developer Improvements shall be completed in accordance with all applicable laws, regulations, ordinances and building and zoning codes and Developer shall, at Developer's cost, obtain and maintain all necessary permits and licenses for the Developer Improvements.

2.5 Indemnification and Insurance Required of Private Contractors. Developer hereby expressly agrees to indemnify and hold the Municipality harmless from and against all claims, costs and liability related to any damage to the Property or injury or death to persons caused by Developer's performance of the Developer Improvements or any other work required of Developer under this Agreement, unless the cause is due to the willful misconduct by the Municipality.

2.6 Compliance with Law. Developer shall comply with all applicable laws, ordinances, and regulations in effect at the time of final approval when fulfilling its obligations under this Agreement. When necessary to protect the public health, safety or welfare, Developer shall be subject to any applicable laws, ordinances and regulations that become effective after approval.

2.7 Payment of Taxes. Developer shall timely pay and discharge all taxes, assessments and other governmental charges upon the Property when due.

2.8 Time is of the Essence. Time is of the essence with reference to Developer's obligation to commence and complete the Developer Improvements. Developer acknowledges that the timely performance of its respective work under this Agreement is critical to the collection of the tax increment upon which the parties are relying for the performance of their respective obligations under this Agreement.

2.9 Reconstruction. Until the District is closed, in the event of any casualty, loss or damage to the improvements on the Property owned by Developer (or by an entity affiliated with Developer in any way or with a common owner(s) or member(s) as Developer or any entity affiliated with Developer in any way), Developer shall proceed with the repair and replacement of such improvements on such Property affected by such a loss or damage and restore such improvements to at least the condition and quality that such improvements were in, and with an equalized value at least equal to the equalized value, immediately prior to the casualty, loss or damage (each an "**Uncured Casualty Loss**"). Subject to force majeure delays, in no event shall Developer take longer than one hundred eighty (180) calendar days after the date of a loss or damage to restore the affected improvements. If Developer fails to timely comply with all of the requirements in this Section 2.9 Developer shall be in Default under this Agreement and the Municipality shall be entitled to the remedies set forth in this Agreement and available in equity or applicable law.

ARTICLE III– DEVELOPER GUARANTY AND OBLIGATIONS

3.1 Guaranteed Value. The parties anticipate that, upon completion, the currently contemplated land and improvements related to the Project will have an equalized value for purposes of real property assessment ("**Equalized Value**") of not less than Ten Million Dollars (\$10,000,000.00; the "**Guaranteed Value**") on or before January 1, 2029. As a condition to

entering into this Agreement, the Municipality requires that Developer guaranty a minimum Equalized Value for the land and improvements related to the Project. By executing this Agreement, Developer and Northland Plastics, Inc., a Wisconsin corporation (each, a “**Guarantor**” and, collectively, the “**Guarantors**”) each hereby jointly and severally guaranties that, on and after January 1, 2029 (the “**Guaranteed Value Date**”), the Equalized Value of the land and improvements on the Property shall at all times during the life of the District be at least the Guaranteed Value. If the Equalized Value of the Property is less than the Guaranteed Value any time on or after the Guaranteed Value Date and Developer does not timely make a Tax Increment Shortfall payment, Developer shall be in Default under this Agreement.

3.2 Failure to Construct. If Developer provides a Commencement Notice as required by Section 2.1 but does not timely complete construction of the Project as herein provided, then Developer and each Guarantor shall pay to the Municipality all sums incurred by the Municipality with regard to the preparation and drafting of this Agreement and all other sums not recoverable from Tax Increments (as defined below). All repayments shall be completed within thirty (30) calendar days after Developer’s non-performance or Default under this Agreement.

3.3 Guaranty Obligations. If on or any time after the Guaranteed Value Date, whether as a result of an Uncured Casualty Loss or otherwise, the Equalized Value of the Property is less than the Guaranteed Value (each a “**Shortfall Event**”), then Developer and each Guarantor shall jointly and severally owe the Municipality an amount equal to the difference between (a) the Tax Increment the Municipality otherwise would have received on the Property if the Property’s Equalized Value equaled the Guaranteed Value, and (b) the Tax Increment received by the Municipality in the year a Shortfall Event occurs (such difference between (a) and (b) being referred to herein as the “**Tax Increment Shortfall**”). If a Tax Increment Shortfall is owed to the Municipality, then Developer and each Guarantor shall pay to the Municipality an amount equal to the Tax Increment Shortfall for such calendar year. If and when the Equalized Value of the Property as of any January 1 is equal to or greater than the Guaranteed Value no Tax Increment Shortfall payment obligation shall be incurred for such year or any year thereafter, unless a new Shortfall Event occurs. If a Tax Increment Shortfall continues through the closing of the District, no further Equalized Value assessment calculations shall occur and no further Tax Increment Shortfall payment obligations of Developer or the Guarantors shall arise after the District is closed. Developer agrees that it shall not, and hereby waives any right to, during the life of the District, challenge the assessed value of the Property below the Guaranteed Value.

3.4 Payment of Tax Increment Shortfall. Any Tax Increment Shortfall payment due to the Municipality may, at the Municipality’s discretion, be deducted from any MRO payment (otherwise due Developer) from the Municipality during the year in which the Tax Increment Shortfall payment obligation arises. If the Tax Increment Shortfall payment exceeds the amount of such MRO payment, Developer and each Guarantor shall pay to the Municipality an amount equal to the difference between such MRO payment and the Tax Increment Shortfall. If there is no MRO payment due Developer for such year, Developer and each Guarantor shall pay to the Municipality the full amount of the Tax Increment Shortfall for such year. Any Tax Increment Shortfall payment due to the Municipality from Developer and/or any Guarantor pursuant to this ARTICLE III shall be made within ten (10) days of written request for payment by the Municipality.

ARTICLE IV – MUNICIPALITY IMPROVEMENTS

4.1 Municipality Work. Within thirty (30) calendar days after receipt of the Commencement Notice and the Required Information, the Municipality shall commence designing the Municipality Improvements. The Municipality shall make, at its own expense, the improvements and perform the work listed on the attached Exhibit C (the “**Municipality Improvements**”) within the construction schedule provided in Exhibit C and pursuant to the terms of this Agreement. If the Municipality Improvements are not completed within the timeframes provided in Exhibit C, solely as a result of acts or omissions by the Municipality (for example and for the avoidance of any doubt, force majeure events are not acts or omissions by the Municipality), the Municipality shall not be in default under this Agreement but any performance dates applicable to Developer Improvements that require the specific Municipality Improvements (or any of them) to be complete shall be automatically extended for the same period of time as the delay of the completion of the Municipality Improvements.

4.2 Third Party Approvals. The Municipality represents to Developer that the Municipality has obtained or will be able to obtain all federal, state and county approvals required to commence and complete construction of the Municipality Improvements.

ARTICLE V – ACCESS, INSPECTIONS AND CONTRACTORS

5.1 Access and Inspections. Developer hereby grants to the Municipality, its agents, employees, officials, representatives, contractors and consultants the right to enter upon the Property at all reasonable times (upon reasonable advance notice to Developer) for the Municipality to inspect the Property and the Project.

5.2 Inspections for Municipality’s Benefit Only. Each inspection conducted by the Municipality or the Municipality’s agents shall be deemed to have been for the Municipality’s own benefit and shall in no way be construed to be for the benefit of or on behalf of Developer. Developer shall not (and hereby each waives any right to) rely in any way upon such inspections, appraisals or determinations of the Municipality.

5.3 Contractors and Consulting Engineers. At any time, the Municipality shall have the right to retain consulting engineers and architects to perform services for the Municipality (which shall be at the Municipality’s expense, unless the Municipality must perform inspections as a result of Developer’s failure to meet the Final Plans then such expenses will be at Developer’s expense) including, without limitation:

- (a) to make periodic inspections with reasonable advance notice to Developer for the purpose of assuring that construction is in accordance with the Final Plans and the requirements of this Agreement;
- (b) to advise the Municipality of the anticipated cost of, and a time for, the completion of construction work; and
- (c) to review and advise the Municipality of any proposed changes in the construction of the Project.

The Municipality's selection of, and reliance upon, the consulting engineers and architects shall not give rise to any liability on the part of the Municipality for the acts or omissions of the consulting engineers or architects or their employees or agents.

Contractors selected for the Project shall be qualified in the Municipality to perform the work, shall be licensed to do business in the State of Wisconsin, shall have experience in providing the type of work and materials required of Developer Improvements, and shall have a good reputation for diligent performance of their obligations under their respective contracts.

ARTICLE VI – MUNICIPAL REVENUE OBLIGATION

6.1 Municipal Revenue Obligation. Pursuant to the terms of this Agreement, the Municipality agrees to issue to Developer, within ninety (90) calendar days after the Municipality's receipt of the Commencement Notice, a non-interest bearing municipal revenue obligation (the "**MRO**"). The amount paid under the MRO shall equal the lesser of: (a) Two Million Dollars (\$2,000,000.00), and (b) the sum of all payments made by the Municipality on the MRO during the life of the District but in no event after the Final Payment Date (as defined below).

Except as otherwise provided herein, payments on the MRO will equal the Available Tax Increment in each year appropriated by the Municipality's Common Council until and including the earlier of the date this Agreement is terminated, the date the District is terminated, the Final Payment Date and the date the MRO is paid in full. "**Available Tax Increment**" means an amount equal to eighty percent (80%) of the difference between the Tax Increment actually received by the Municipality and appropriated by the Municipality's Common Council in each year less the following (collectively, the "**Priority Project Costs**"): (i) all debt service payments incurred or to be incurred by the Municipality in a given year for work performed or to be performed with regard to the Project or the Property; (ii) the amount of the Municipality's administrative expenses, including, but not limited to, reasonable charges for the time spent by Municipality employees in connection with the negotiation and implementation of this Agreement, (iii) professional service costs, including, but not limited to, those costs incurred by the Municipality for outside architectural, planning, engineering, inspections, financial consulting and legal advice (including, without limitation, attorneys' costs and fees) and services related to the negotiation and implementation of this Agreement, and (iv) other eligible project costs previously incurred by the Municipality in preparation for this Project or to be incurred by the Municipality under the Project Plan, including, without limitation, site preparation and costs and expenses related to the Property or the Project provided such eligible project costs are not financed by the debt service referenced in (i) above. Any Priority Project Cost not paid due to insufficient Tax Increment shall be carried forward and paid from Tax Increment in the next year, or if necessary, following years until fully paid. "**Tax Increment**" shall have the meaning given under Wis. Stat. § 66.1105(2)(i) but shall be limited to the Tax Increment attributable to the Project, the land and improvements on the Property.

Provided that Developer is not in Default under this Agreement, the Municipality shall, subject to annual appropriation of such payment by the Municipality's Common Council, pay the Available Tax Increment, if any, to the holder of the MRO in one annual payment, on or before October 31st of each year commencing on October 31, 2028, and continuing to (and including) the earlier of the date the MRO is paid in full or October 31, 2047 (each, a "**Payment Date**").

Notwithstanding the previous sentence, in the event that Developer is in Default on a Payment Date, payment by the Municipality may be suspended until all outstanding Defaults are cured.

To the extent that on any Payment Date the Municipality is unable to make all or part of a payment of principal due on the MRO from such Available Tax Increment due to an absence of adequate Available Tax Increment, non-appropriation by the Municipality's Common Council or otherwise, such failure shall not constitute a default by the Municipality under the MRO. The amount of any such deficiency shall be deferred without interest. The deferred principal shall be due on the next Payment Date on which the Municipality has the ability to payout Available Tax Increment. The term of the MRO and the Municipality's obligation to make payments hereunder shall not extend beyond the earlier of October 31, 2047 (the "**Final Payment Date**") or the date the MRO is paid in full. If the MRO has not been paid in full by the Final Payment Date, then the Municipality shall have no obligation to make further payments on the MRO. Upon the earlier of the date the MRO is paid in full and the Final Payment Date, the MRO shall terminate and the Municipality's obligation to make any payments under the MRO shall be fully discharged, and the Municipality shall have no obligation and incur no liability to make any payments hereunder or under the MRO, after such date.

The MRO shall not be payable from or constitute a charge upon any funds of the Municipality, and the Municipality shall not be subject to any liability thereon or be deemed to have obligated itself to pay thereon from any funds except the Available Tax Increment which has been appropriated for that purpose, and then only to the extent and in the manner herein specified. The MRO is a special, limited revenue obligation of the Municipality and shall not constitute a general obligation of the Municipality. The Municipality will use good faith efforts to annually appropriate the Available Tax Increment for the MRO, until the earlier of the Final Payment Date, the termination of this Agreement or the MRO, or the payment in full of the MRO as provided herein. If Available Tax Increment is received by the Municipality earlier than the first Payment Date, the applicable portion of such increment shall be retained by the Municipality and applied to the first payment subject to appropriation by the Municipality's Common Council. Developer shall not have the right to assign the MRO except as set forth therein. Interests in the MRO may not be split, divided or apportioned.

6.2 MRO Form. The MRO shall be substantially in the form attached to this Agreement as Exhibit D (which is incorporated herein by reference) and shall be payable in accordance with the terms and conditions set forth in this Agreement and such MRO. In the event of a conflict between the terms of this Agreement and the terms of the MRO, the terms in this Agreement shall prevail. The principal payments shall be payable solely from the Available Tax Increment appropriated by the Municipality. On or about each Payment Date under the MRO, the Municipality shall provide to Developer an accounting identifying the Available Tax Increment, the amount of the payment being made on such Payment Date, and, if applicable, the remaining principal balance due on the MRO after the application of such payment.

6.3 Issuance of MRO and Payment Limitation. Provided that Developer is not in Default under this Agreement beyond the applicable cure period (if any), the Municipality will deliver the MRO to Developer within ninety (90) calendar days after the Municipality's receipt of the Commencement Notice. Notwithstanding the previous sentence, in the event that Developer is in Default prior to the Municipality's issuance of the MRO, the Municipality shall not be

required to deliver the MRO to Developer until a reasonable time after, but in no event less than thirty (30) calendar days after, all such Defaults are cured, provided each Default is cured within the applicable cure period for such Default. If the Municipality does not timely provide the MRO to Developer, the Developer shall make a written request to the Municipality to deliver the executed MRO within thirty (30) calendar days after the date of such written request by the Developer. The total amount of principal to be paid under the MRO shall in no event exceed the lesser of:

- (a) Two Million Dollars (\$2,000,000.00); and
- (b) The sum of all payments made by the Municipality on the MRO during the life of the District but in no event after the Final Payment Date.

The Municipality's obligation to make payments on the MRO is conditioned on the requirement that Developer is not in Default under this Agreement. For the avoidance of any doubt, upon the occurrence of a Default, the Municipality may suspend all payments until the Default is cured and, upon the expiration of all applicable cure periods for such Default, the Municipality may exercise any and all available remedies.

6.4 Payment of Priority Project Costs and Repayment Schedule. From the Tax Increment received by the Municipality each year, the Municipality shall first pay the outstanding Priority Project Costs. The estimated repayment schedule of the MRO shall be set forth in Schedule 1 to the MRO. The Municipality reserves the right to modify the MRO repayment schedule based upon market conditions, applicable Priority Project Costs and the actual and projected Available Tax Increment generated from the Project. The Available Tax Increment held by the Municipality each year shall be applied to the payment of principal due on the MRO in accordance with the payment schedules set forth in such MRO until a maximum payout has been made (which equals the Available Tax Increment for a given year), subject to appropriation by the Municipality's Common Council.

ARTICLE VII – ZONING, LAND USE AND RESTRICTIVE COVENANT

7.1 Zoning Compliance. The Project shall be in compliance with the applicable zoning ordinance and land use guidelines applicable to the Property and shall be subject to the payment of any applicable impact fees in the amounts applicable at the time each required permit is issued, unless otherwise provided herein. Nothing in this Agreement shall obligate the Municipality to grant variances, re-zoning, exceptions or conditional use permits related to the Project.

7.2 Tax Status/Restrictive Covenant. Without the prior written consent of the Municipality (which may be withheld for any reason), Developer shall not use or permit the use of the Property in any manner which would render the Property exempt from property taxation. Further, during the life of the District, Developer will not challenge or contest any assessment on the Property by the Municipality, including, but not limited to, filing any objection under Wis. Stat. Section 70.47, Wis. Stat. Section 74.37, or any Department of Revenue related assessment proceeding with regard to an assessed value of the Property that is at or below the Guaranteed Value. Prior to the conveyance of all or any portion of the Property, Developer agrees to record

on the Property with the Sheboygan County Register of Deeds a deed restriction or restrictive covenant evidencing the restrictions on the Property set forth in this Section 7.2. The foregoing deed restrictions or restrictive covenants shall permit, but shall not obligate, the Municipality to enforce such deed restrictions or restrictive covenants and shall be in form and in substance acceptable to the Municipality. Developer shall not have a continuing obligation for compliance with this provision as to any portion of the Property in which Developer no longer maintains any interest (whether as owner, tenant, occupant or otherwise) provided that Developer has timely recorded the deed restriction or restrictive covenant as approved by the Municipality.

7.3 Land Dedications, Transfers and Easements for the Project. Developer agrees to make such land dedications and to grant such temporary or permanent easements as are required by the Municipality for the construction and maintenance of the Project. All documentation for such dedications or easements shall be in form and substance acceptable to the Municipality and Developer. Developer agrees to cooperate with the Municipality if the Municipality desires to prepare certified survey maps or other documentation as deemed appropriate by the Municipality to facilitate the implementation and documentation of such dedications and easements and to adjust the lot lines of the Property in a manner reasonably acceptable to the Municipality and Developer.

ARTICLE VIII – ASSIGNMENTS AND CHANGES OF CONTROL

8.1 Assignments and Change of Control. This Agreement and the MRO shall not be assignable by Developer without the prior written consent of the Municipality (which may be withheld by the Municipality for any reason). The ownership or control of Developer shall not be transferred to any person or entity without the prior written consent of the Municipality (which may be withheld by the Municipality for any reason). Notwithstanding any provision herein to the contrary, the restrictions on the transfer of ownership or control shall not be applicable in the event of: (a) the death of a member and the deceased member's interest is being transferred pursuant to the deceased member's estate plan or applicable intestate laws; (b) the transfer going to one or more existing members of Developer; or (c) the transfer going to (i) a member's spouse or lineal descendant(s), or (ii) a trust/trusts or an entity/entities provided such trust/trusts or entity/entities are created solely for such member's benefit or for estate planning purposes. The term "ownership or control" shall mean twenty percent (20%) or more of the Ownership Interests in Developer. For the purposes of this Agreement, "**Ownership Interests**" shall mean the members' rights to share in distributions and other economic benefits of Developer, the members' rights to participate in decision making, or both. The current members of Developer are identified on Exhibit E attached hereto and incorporated herein by reference.

In the event this Agreement is assigned by Developer, such assignee shall execute all documents required by the Municipality to confirm that such assignee is bound by the terms of this Agreement and agrees to perform all of Developer's obligations set forth in this Agreement. Further, in the event this Agreement is assigned by Developer, Developer agrees to remain jointly and severally liable for all obligations of the Developer (whether to be completed by itself or its assign) under this Agreement.

Notwithstanding any provision herein to the contrary, this Agreement and the MRO may be collaterally assigned to a mortgage lender financing the development and completion of the Project.

ARTICLE IX – DEVELOPER REPRESENTATIONS, WARRANTIES AND COVENANTS

9.1 Developer Representations, Warranties and Covenants. Developer represents, warrants and covenants that:

(a) Developer is a corporation duly formed and validly existing in the State of Wisconsin, has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business, and is in good standing in the State of Wisconsin and all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition;

(b) Developer has full authority to execute and perform this Agreement and has obtained all necessary authorizations (whether by official board resolution or action, unanimous written consent in lieu of a meeting or otherwise) to enter into, execute, perform and deliver this Agreement;

(c) the execution, delivery, and performance of Developer's respective obligations pursuant to this Agreement will not violate or conflict with (i) Developer's articles of incorporation, bylaws or any indenture, instrument or agreement by which it is bound, (ii) any other agreement to which Developer is a party, or (iii) any law applicable to Developer or the Project;

(d) this Agreement constitutes (and any instrument or agreement that Developer is required to give under this Agreement when delivered will constitute) legal, valid, and binding obligations of Developer enforceable against Developer in accordance with their respective terms;

(e) Developer will expeditiously complete the development and construction of Developer Improvements and the Project in a good and workmanlike manner and in accordance with all acceptable statutes, ordinances and regulations, any restrictions of record and the Final Plans provided to the Municipality regarding the Project;

(f) Developer will not make or consent to any material modifications to the Final Plans without the prior written consent of the Municipality;

(g) Developer will discharge all claims for labor performed and materials, equipment, and services furnished in connection with the construction of Developer Improvements and the Project; nothing contained in this Agreement shall require Developer to pay any claims for labor, services or materials which it, in good faith, disputes and is currently and diligently contesting, provided, however, that Developer shall, within ten (10) calendar days after the filing (or the assertion) of any claim of lien that is disputed or contested by Developer, obtain and record (if required by the Municipality) a surety bond sufficient to release said claim or lien or provide the Municipality with other such assurances that the Municipality may require;

(h) Developer will take all steps to forestall claims of lien against the Property (any part thereof or right or interest appurtenant thereto) or any personal property and fixtures located or used in connection with the Property;

(i) Developer will maintain, and/or will cause its general contractor to maintain, at all times during construction, a policy of builder's risk completed value and contractor's multiple perils and public liability, extended coverage, vandalism and malicious mischief hazard insurance covering the Property in at least the amount of the full replacement, completed value of the improvements on the Property;

(j) Developer will timely pay and discharge all taxes, assessments and other governmental charges upon the Property when due, as well as claims for labor and materials which, if unpaid, might become a lien or charge upon the Property;

(k) Developer will promptly furnish to the Municipality, during the term of this Agreement, written notice of any litigation affecting Developer and any claims or disputes which involve a material risk of litigation against Developer;

(l) Developer shall deliver to the Municipality revised statements of estimated costs of the construction for Developer Improvements showing changes in or variations from the original cost statement provided to the Municipality as soon as such changes are known to Developer;

(m) Developer shall provide to the Municipality, promptly upon the Municipality's request, any information or evidence deemed necessary by the Municipality related to performance of Developer under this Agreement to enable the Municipality to timely and accurately complete any accounting or reporting requirements applicable to the Municipality related to the transactions under this Agreement;

(n) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Developer is pending or threatened, and no other event has occurred which may materially adversely affect Developer's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by the Municipality in writing;

(o) there are no delinquent outstanding real estate taxes or special assessments affecting the Property; and

(p) subject to the terms of this Agreement, it shall not at any time challenge or contest any assessment on the Property by the Municipality including, but not limited to, filing any objection under Wis. Stat. Section 70.47, Wis. Stat. Section 74.37, or any Department of Revenue related assessment proceeding with regard to an assessed value of the Property that is at or below the Guaranteed Value.

9.2 Execution Representations and Warranties. The person(s) signing this Agreement on behalf of Developer represent(s) and warrant(s) that he/she/they have full power and authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions of this Agreement.

9.3 Cooperation. Developer warrants that it shall exercise all reasonable diligence and expend all commercially reasonable efforts to undertake its obligations under this Agreement.

ARTICLE X – MUNICIPALITY REPRESENTATIONS

10.1 Municipality Representations. The Municipality represents that:

(a) The Municipality is a body politic of the State of Wisconsin with full power and authority to enter into this Agreement and that all statutory procedures and requirements have been followed, fulfilled and satisfied in connection with the approval of this Agreement and the authorization of all Municipality obligations required by this Agreement;

(b) The individuals signing this Agreement on behalf of the Municipality have full authority to do so and upon such execution by such individuals, this Agreement will constitute (and any instrument or agreement that the Municipality is required to give under this Agreement when executed and delivered will constitute) legal, valid and binding obligations of the Municipality enforceable against it in accordance with their respective terms; and

ARTICLE XI – DEFAULTS

11.1 Default. Any one or more of the following shall constitute a “Default” under this Agreement.

(a) Developer fails to timely or fully perform, or comply with, any one or more of its obligations or any of the terms or conditions of this Agreement or any document related hereto or referenced herein that is applicable to Developer (including, without limitation, the untimely delivery of the Required Information, completion of the Developer Improvements or any default under any other agreement related to the Project).

(b) Any representation or warranty made by Developer in this Agreement, any document related hereto or referenced herein or any financial statement delivered by Developer pursuant to this Agreement shall prove to have been false or misleading in any material respect as of the time when made or given.

(c) Developer (or any permitted successor or assign of Developer) shall:

(i) become insolvent or generally not pay, or be unable to pay, or admit in writing its inability to pay, its debts as they mature,

(ii) make a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its assets,

(iii) become the subject of an “order for relief” within the meaning of the United States Bankruptcy Code, or file a petition in bankruptcy, for reorganization or to effect a plan, or other arrangement with creditors,

(iv) have a petition or application filed against it in bankruptcy or any similar proceeding, or have such a proceeding commenced against it, and such petition, application or proceeding shall remain undismissed for a period of ninety (90) calendar days or more, or such party, shall file an answer to such a petition or application, admitting the material allegations thereof,

(v) apply to a court for the appointment of a receiver or custodian for any of its assets or properties, or have a receiver or custodian appointed for any of its assets or properties, with or without consent, and such receiver shall not be discharged within sixty (60) calendar days after his appointment, or

(vi) adopt a plan of complete liquidation of its assets.

(d) The Municipality fails to timely or fully perform, or comply with, any one or more of its obligations or any of the terms or conditions of this Agreement or any document related hereto or referenced herein that is applicable to the Municipality.

ARTICLE XII – REMEDIES

12.1 Remedies. In the event of a Default, the non-defaulting party shall provide written notice to the defaulting party of the Default (the “**Default Notice**”); however, Developer shall not be entitled to a Default Notice or a right to cure in the event the Default occurs under Subsection 11.1(c) above.

(a) The Default Notice shall provide the defaulting party at least thirty (30) calendar days to cure a Default; however, the 30-day period shall be extended to the period of time reasonably necessary to cure the Default (in the event that such 30-day period is not sufficient time to reasonably cure such Default), if the defaulting party promptly commences activities to cure the Default in good faith and diligently pursues such activities to fully cure the Default, but, in no event, shall the period of time to cure the Default exceed ninety (90) calendar days from the date of the Default Notice, unless otherwise agreed to by the parties in writing.

(b) In the event the Default is not fully and timely cured by Developer, the Municipality shall have all of the rights and remedies available in law or in equity, including, but not limited to, all or any of the following rights and remedies, and the exercise or implementation of any one or more of these rights and remedies shall not bar the exercise or implementation of any other rights or remedies of the Municipality provided for under this Agreement:

(i) The Municipality may refuse to issue any permits to Developer for the construction of Developer Improvements or any other improvements on the Property;

(ii) The Municipality may recover from Developer all damages, costs and expenses, including, but not limited to, attorneys’ fees incurred by the Municipality related to or arising out of each Default and the drafting and negotiation of this Agreement;

EXECUTION VERSION

(iii) The Municipality may terminate or postpone its obligation to perform any one or more of its obligations under this Agreement, including, but not limited to, any payment obligations under the MRO; or

(iv) The Municipality may terminate this Agreement.

(c) In the event the Default is not fully and timely cured by the Municipality, subject to Section 17.11 below, Developer shall have all of the rights and remedies available in law or in equity, however, the Municipality shall not be liable for any punitive or consequential damages, the MRO shall only be paid out of Available Tax Increment and Developer may not perform any acts required to be performed by the Municipality under applicable law.

ARTICLE XIII – SUCCESSORS AND ASSIGNS

13.1 Successors and Assigns; Assignment. This Agreement shall be binding upon the successors and assigns of the parties hereto; however, this provision shall not constitute an authorization of Developer to assign or transfer its rights and obligations under this Agreement. Except as expressly provided for in Section 8.1 above, this Agreement shall not be assigned by Developer without the prior written consent of the Municipality, which consent may be withheld for any reason.

ARTICLE XIV – TERMINATION

14.1 Termination. This Agreement shall not terminate until the earlier of:

- (a) termination by the Municipality of the District pursuant to §66.1105(7) of the TI Act,
- (b) the date the MRO is paid in full, or
- (c) termination by the Municipality pursuant to the terms of this Agreement;

however, Developer agrees that the termination of this Agreement shall not cause a termination of the rights and remedies of the Municipality under this Agreement.

ARTICLE XV – NOTICES

15.1 Notices. Any notice given under this Agreement shall be deemed effective when: (a) personally delivered in writing; (b) a commercially recognized overnight delivery service provides confirmation of delivery; or (c) the third calendar day after notice is deposited with the United States Postal Service (postage prepaid, certified with return receipt requested); or (d) in the case of an e-mail notice (which shall be effective for all purposes hereunder), when sent to the e-mail address(es) provided below or any other address designated in writing by one party to the other party; provided that any party may request that an e-mail notice be followed by another form of notice under this Section 15.1 within three (3) calendar days after such request, and addressed as follows:

EXECUTION VERSION

If to the Municipality:

City of Sheboygan
Attention: City Administrator
828 Center Avenue, Suite 300
Sheboygan, WI 53081
casey.bradley@sheboyganwi.gov

City of Sheboygan
Attention: City Attorney
828 Center Avenue, Suite 210
Sheboygan, WI 53081
liz.majerus@sheboyganwi.gov

with a copy to:

Brion T. Winters, Esq.
von Briesen & Roper, s.c.
411 E. Wisconsin Ave., Suite 1000
Milwaukee, WI 53202
brion.winters@vonbriesen.com

If to Developer:

The Mighty Three Stripe, LLC
c/o Murphy and Matt Zingsheim
1420 S. 16th Street
Sheboygan, WI 53081

with a copy to:

Attorney Michael J. Bauer
Hopp Neumann Humke LLP
2124 Kohler Memorial Drive, Suite 310
Sheboygan, WI 53081
mike.bauer@hopplaw.com

ARTICLE XVI – APPLICABLE LAW

16.1 Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Wisconsin. Any litigation related to this Agreement shall be brought in the state courts of the State of Wisconsin and the parties hereto agree to submit to the jurisdiction and venue of the Circuit Court for Sheboygan County, Wisconsin.

ARTICLE XVII – MISCELLEANEOUS

17.1 Entire Agreement. This Agreement and all of the documents referenced herein or related hereto (and as any of the aforementioned documents have been or may be amended, extended or modified) embody the entire agreement between the parties relating to the transactions contemplated under this Agreement and all agreements, representations or understanding, whether oral or written, that are prior or contemporaneous to this Agreement are superseded by this Agreement.

17.2 Amendment. No amendment, modification or waiver of any provision of this Agreement, nor consent to any departure by a party from any provision of this Agreement shall in any event be effective unless it is in writing and signed by each of the parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purposes for which it is given by the respective party.

17.3 No Vested Rights Granted. Except as provided by law, or as expressly provided in this Agreement, no vested rights in connection with the Project shall inure to Developer nor

does the Municipality warrant by this Agreement that Developer is entitled to any required approvals, permits or the like with regard to the Project.

17.4 Invalid Provisions. The invalidity or unenforceability of a particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

17.5 Headings. The article and section headings of this Agreement are inserted for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

17.6 No Waiver; Remedies. No failure on the part of the Municipality to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law.

17.7 No Third-Party Beneficiaries. This Agreement is solely for the benefit of the named parties hereto and their permitted assignees, and nothing contained in this Agreement shall confer upon anyone other than such parties any right to insist upon or enforce the performance or observance of any of the obligations contained in this Agreement.

17.8 No Joint Venture. The Municipality is not a partner, agent or joint venture of or with Developer.

17.9 Recording of a Memorandum of this Agreement Permitted. A memorandum of this Agreement may be recorded by the Municipality on the Property and any or all of the Property in the office of the Register of Deeds for Sheboygan County, Wisconsin, and, upon request of the Municipality, Developer shall execute and deliver to the Municipality a memorandum of this Agreement for recording purposes.

17.10 Force Majeure. If any party is delayed or prevented from timely performing any act required under this Agreement by reason of extraordinary and uncommon matters beyond the reasonable control of the party obligated to perform, including (but not limited to) fire, earthquake, war, terrorist act, pandemic, epidemic, flood, riot, strike, lockout, supply shortages, freight embargo, power outages, extreme weather or other similar causes or acts of God, such act shall be excused for the period of such delay, and the time for the performance of any such act shall be extended for a period equivalent to such delay; provided, however, that the time for performance shall not be extended by more than ninety (90) calendar days unless agreed to in writing by the parties hereto. Notwithstanding any provision herein to the contrary, the Municipality, in its sole and absolute discretion, may allow up to a six (6) month extension on the deadlines set forth in Section 1.1 and 2.2 above should reasonable delays occur as a result of environmental remediation issues, supply chain issues or material cost increases. Any such approved delay by the Municipality will be evidenced in writing and provided to Developer, and without any written evidence approving such delay, the other provisions of this Agreement shall control and the immediately preceding sentence shall not apply.

17.11 Immunity. Nothing contained in this Agreement constitutes a waiver of any immunity available to the Municipality under applicable law.

17.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement, it being understood that all parties need not sign the same counterpart. This Agreement may also be executed by remote electronic means, via DocuSign, Eversign, or similar platform. The exchange of copies of this Agreement and of signature pages by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in “portable document format” (“.pdf”), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of an original Agreement for all purposes. Signatures of the parties transmitted by facsimile or other electronic means shall be deemed to be their original signatures for all purposes. Upon request by a party, the parties hereto shall provide a wet-ink, original signed version of this Agreement to such party for its records.

17.13 Recitals. The RECITALS set forth above are true, accurate and incorporated herein by reference.

[The remainder of this page is intentionally left blank with a signature pages to follow.]

Adopted by Resolution No. _____

EXECUTION VERSION

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MUNICIPALITY: CITY OF SHEBOYGAN

By: _____

Name: Ryan Sorenson, City Mayor

Attest: _____

Name: Meredith DeBruin, City Clerk

STATE OF WISCONSIN)
) I
SHEBOYGAN COUNTY)

Personally came before me this _____ day of October, 2026, the above named Ryan Sorenson and Meredith DeBruin, the City Mayor and the City Clerk, respectively, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, Wisconsin
My commission _____

DEVELOPER: THE MIGHTY THREE STRIPE, LLC

By: _____
Name: Matthew Zingsheim
Its: Authorized Representative

By: _____
Name: Murphy Zingsheim
Its: Authorized Representative

STATE OF WISCONSIN)
) I
SHEBOYGAN COUNTY)

Personally came before me this ____ day of October, 2026, the above named Matthew Zingsheim and Murphy Zingsheim, the Authorized Representatives of The Mighty Three Stripe, LLC, respectively, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, Wisconsin
My commission _____

ACKNOWLEDGED AND AGREED TO BY THE UNDERSIGNED GUARANTOR FOR PURPOSES OF THE GUARANTY PROVIDED IN ARTICLE III OF THIS AGREEMENT.

GUARANTOR: NORTHLAND PLASTICS, INC.

By: _____
Name: Matthew Zingsheim
Its: Authorized Representative

By: _____
Name: Murphy Zingsheim
Its: Authorized Representative

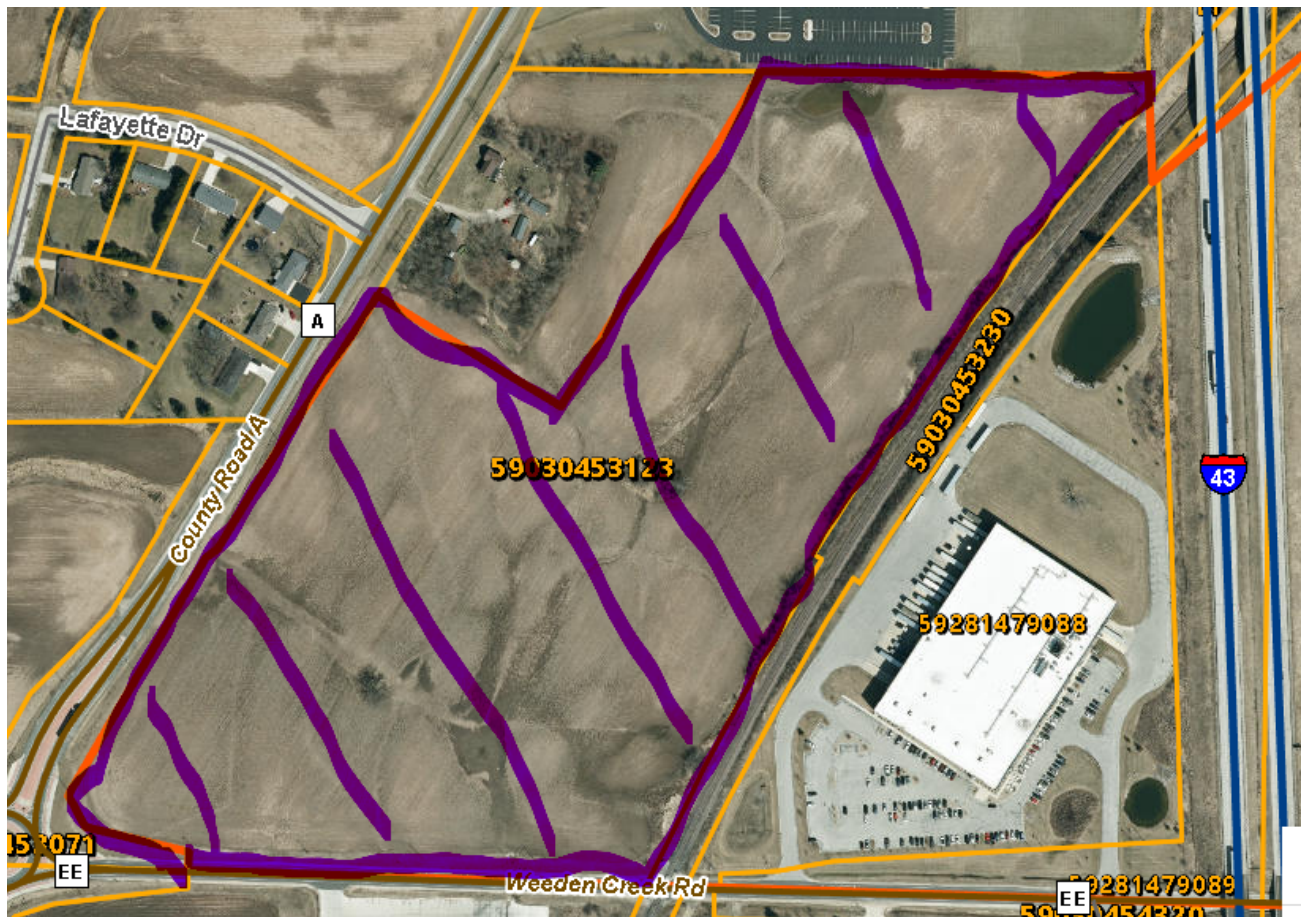
EXHIBIT A

Property

The land referred to herein below is situated in the County of Sheboygan, State of Wisconsin, and is described as follows:

Outlot 1 of a Certified Survey Map recorded in Volume 32 of Certified Survey Maps, at pages 266-269, as Document No. 2190038, being part of the NW 1/4, NE 1/4, SW 1/4 and SE 1/4 of the SE 1/4 of Section 5, Township 14 North, Range 23 East, Town of Wilson, Sheboygan County, Wisconsin.

Tax Key Number: 59030453125 (formerly part of 59030453123)



Site Plan



EXHIBIT C

Municipality Improvements

<u>Date</u>	<u>Responsible Party</u>	<u>Task</u>
2/28/2027	Municipality	Bid Documents Complete and Project Award by Common Council. Contingent on obtaining the necessary permits: • WDNR – Water Main Extension • WDNR – Sanitary Sewer Extension • Union Pacific Railroad – Utility Crossing Permit for Water Main • Union Pacific Railroad – Utility Crossing Permit for Sanitary Sewer • Sheboygan County - Permit To Construct, Operate and Maintain Utilities Within Highway Right-Of-Way for Water Main • Sheboygan County - Permit To Construct, Operate and Maintain Utilities Within Highway Right-Of-Way for Sanitary Sewer
7/30/2027	Municipality	Construction complete: • Sanitary Sewer to Property, does not include private connection to sanitary sewer. Sanitary sewer will be extended west to approximately 50 feet west of the Union Pacific Railroad crossing of Weeden Creek Road. • Water main – Extend approximately 610 feet west from the existing terminus. Does not include private connection to water main.

For the avoidance of any doubt, all private utilities, drives and driveways (including permits), on-site lighting, and landscaping are the responsibility of Developer. City will not install street lights along Weeden Creek Road.

EXHIBIT D

MRO

UNITED STATES OF AMERICA
 STATE OF WISCONSIN
 COUNTY OF SHEBOYGAN
 CITY OF SHEBOYGAN

TAXABLE TAX INCREMENT PROJECT MUNICIPAL REVENUE OBLIGATION (“**MRO**”)

<u>Number</u>	<u>Date of Original Issuance</u>	<u>Amount</u>
_____	_____	Up to \$2,000,000.00

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the “**Municipality**”), promises to pay to The Mighty Three Stripe, LLC (the “**Developer**”), or registered assigns, but only in the manner, at the times, from the source of revenue and to the extent hereinafter provided, the Revenues described below, without interest.

This MRO shall be payable in installments of principal due on October 31 (the “**Payment Dates**”) in each of the years and in the amounts set forth on the debt service schedule attached hereto as Schedule 1. For the avoidance of any doubt and as set forth in Section 6.4 of the Development Agreement, Schedule 1 contains estimated payment amounts that will depend entirely on the amount of Revenues available for each payment and the Municipality reserves the right to modify such schedule from time to time.

This MRO has been issued to finance projects within the Municipality’s Tax Incremental District No. 27, pursuant to Article XI, Section 3 of the Wisconsin Constitution and Section 66.0621, Wisconsin Statutes and acts supplementary thereto, and is payable only from the income and revenues herein described, which income and revenues have been set aside as a special fund for that purpose and identified as the “Special Redemption Fund” provided for under the resolution adopted on October 19, 2026, by the Common Council of the Municipality (the “**Resolution**”). This MRO is issued pursuant to the Resolution and pursuant to the terms and conditions of the Tax Incremental District Development Agreement dated as of October 19, 2026 by and between the Municipality and Developer (the “**Development Agreement**”). All capitalized but undefined terms herein shall take on the meaning given to such terms in the Development Agreement.

This MRO does not constitute an indebtedness of the Municipality within the meaning of any constitutional or statutory limitation or provision. This MRO shall be payable solely from Available Tax Increment generated by the Property and appropriated by the Municipality’s Common Council to the payment of this MRO (the “**Revenues**”). Reference is hereby made to the Resolution and the Development Agreement for a more complete statement of the revenues from which and conditions and limitations under which this MRO is payable and the general covenants and provisions pursuant to which this MRO has been issued. The Resolution and Development Agreement are incorporated herein by this reference.

If on any Payment Date there shall be insufficient Revenues appropriated to pay the principal due on this MRO, the amount due but not paid shall be deferred. The deferred principal shall be payable on the next Payment Date until the earlier of: (a) the date this MRO is paid in full, and (b) the Final Payment Date (as defined below). The Municipality shall have no obligation to pay any amount of this MRO which remains unpaid after the Final Payment Date. The owners of this MRO shall have no right to receive payment of any deferred amounts, unless there are available Revenues which are appropriated by the Municipality's Common Council to payment of this MRO. The "**Final Payment Date**" is October 31, 2047.

At the option of the Municipality, this MRO is subject to prepayment in whole or in part at any time.

The Municipality makes no representation or covenant (express or implied) that the Available Tax Increment or other Revenues will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The Municipality's payment obligations hereunder are subject to appropriation, by the Municipality's Common Council, of Tax Increments or other amounts to make payments due on this MRO. In addition, as provided in Section 6.3 of the Development Agreement, the total amount of principal to be paid shall in no event exceed the lesser of:

- (a) Two Million Dollars (\$2,000,000.00), and
- (b) The sum of all payments made by the Municipality on this MRO during the life of the District but in no event after the Final Payment Date.

When such amount of Revenues has been appropriated and applied to payment of this MRO, the MRO shall be deemed to be paid in full and discharged, and the Municipality shall have no further obligation with respect hereto. Further, as provided in Sections 6.1, 6.3 and 12.1 of the Development Agreement or otherwise, the Municipality's obligations to make payments on this MRO may be suspended or terminated in the event Developer is in Default under any of the terms and conditions of the Development Agreement, provided payments may be resumed when any such Default is timely cured and any payments missed due to an uncured Default also shall be paid from Available Tax Increment upon timely cure of such Default.

THIS MRO IS A SPECIAL, LIMITED REVENUE OBLIGATION AND NOT A GENERAL OBLIGATION OF THE MUNICIPALITY AND IS PAYABLE BY THE MUNICIPALITY ONLY FROM THE SOURCES AND SUBJECT TO THE QUALIFICATIONS STATED OR REFERENCED HEREIN. THIS MRO IS NOT A GENERAL OBLIGATION OF THE MUNICIPALITY, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWERS OF THE MUNICIPALITY ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR INTEREST OF THIS MRO. FURTHER, NO PROPERTY OR OTHER ASSET OF THE MUNICIPALITY, EXCEPT THE ABOVE-REFERENCED REVENUES, IS OR SHALL BE A SOURCE OF PAYMENT OF THE MUNICIPALITY'S OBLIGATIONS HEREUNDER.

EXECUTION VERSION

This MRO is issued by the Municipality pursuant to, and in full conformity with, the Constitution and laws of the State of Wisconsin.

Except as otherwise expressly provided for in the Development Agreement, this MRO may be transferred or assigned, in whole or in part, only upon prior written consent of the Municipality which may be withheld, conditioned or delayed for any reason. Interests in this MRO may not be split, divided or apportioned, except as set forth herein. In order to transfer or assign the MRO, if permitted by the Municipality, the transferee or assignee shall surrender the same to the Municipality either in exchange for a new, fully-registered municipal revenue obligation or for transfer of this MRO on the registration records for the MRO maintained by the Municipality. Each permitted transferee or assignee shall take this MRO subject to the foregoing conditions and subject to all provisions stated or referenced herein.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this MRO have been done, have existed and have been performed in due form and time.

IN WITNESS WHEREOF, the Common Council of the Municipality has caused this MRO to be signed on behalf of the Municipality by its duly qualified and acting Municipality Mayor and Municipality Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

CITY OF SHEBOYGAN

By:

Name: _____, Mayor

(SEAL)

Attest:

Name: _____, City Clerk

Schedule 1**Payment Schedule**

Subject to the Municipality's actual receipt and appropriation of Available Tax Increment and the terms and conditions of the Development Agreement (including, without limitation, the Municipality's right to modify this payment schedule based upon market conditions and the actual and projected Available Tax Increment generated from the Project and appropriated by the Municipality), the Municipality shall make the following payments on the MRO to Developer:

<u>Payment Date</u>	<u>Payment Amount</u>
October 31, 2028	\$47,808.35
October 31, 2029	\$116,755.93
October 31, 2030	\$116,755.93
October 31, 2031	\$117,070.93
October 31, 2032	\$117,070.93
October 31, 2033	\$117,070.93
October 31, 2034	\$117,070.93
October 31, 2035	\$117,070.93
October 31, 2036	\$117,070.93
October 31, 2037	\$117,070.93
October 31, 2038	\$117,070.93
October 31, 2039	\$117,070.93
October 31, 2040	\$117,070.93
October 31, 2041	\$117,070.93
October 31, 2042	\$117,070.93
October 31, 2043	\$117,070.93
October 31, 2044	\$117,070.93
October 31, 2045	\$79,686.77
=====	
Total	Up to \$2,000,000.00

REGISTRATION PROVISIONS

This MRO shall be registered in registration records kept by the Clerk of the Municipality of Sheboygan, Sheboygan County, Wisconsin, such registration to be noted in the registration blank below and upon said registration records, and this MRO may thereafter be transferred only upon presentation of this MRO together with a written instrument of transfer in form and substance acceptable to the Municipality and duly executed by the registered owner or his/her/its attorney, such transfer to be made on such records and endorsed hereon.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of City Clerk</u>

EXHIBIT E

Members of Developer

MEMBERS OF DEVELOPER (WITH OWNERSHIP PERCENTAGE):

- | | | |
|-----|---|--------------|
| (1) | Matthew N. Zingsheim Living Trust of 2015 | 50% Interest |
| (2) | Murphy N. Zingsheim Trust of 1993 | 50% Interest |