



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

August 9, 2016

Agenda

1. Call the meeting of the Town of Islip Industrial Development Agency to order.
2. Authorization for the Agency to amend the current lease with **University Support Services, LLC** and to extend the current lease. Located at 3500 Sunrise Highway, Great River, New York.
3. To consider the adoption of a Resolution between the Town of Islip Industrial Development Agency to facilitate the refinancing of the 2014 Loan and the issuance of an additional Mortgage along with accompanying Loan Documents on behalf of **Shri Parshwa Padmavati & Co. LLC/Perfume Center of America, Inc.**
4. To consider the authorization to amend and redefine the original lease dated May 1, 2011 between the Town of Islip Industrial Development Agency (The Agency) and **CMB Wireless Group, LLC, D/B/A Communications Wireless Group.**
5. To consider the adoption of an Inducement Resolution to issue Town of Islip Industrial Development Bonds, or in the alternative a straight lease transaction, on behalf of **Feinbloom Murphy, Ltd./DFV Realty, LLC.** Located at 4000 Veterans Memorial Highway, Bohemia, New York.
6. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **M S International, Inc.** Located at 50 Heartland Boulevard, Brentwood, New York.
7. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **AVCO Industries, Inc.** Located at 50 Windsor Place/120 Windsor Place, Central Islip, New York.
8. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **East/West Industries, Inc.** Located at 2002 Orville Drive North, Ronkonkoma, New York.
9. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **B & S Fragrances & Cosmetics, Inc.** Located at 25 Ranick Road, Hauppauge, New York.
9. To consider any other business that may come before the Agency.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016

AGENDA ITEM # 2

TYPE OF RESOLUTION: RESOLUTION TO AMEND AND
EXTEND CURRENT LEASE

COMPANY: UNIVERSITY SUPPORT SERVICES,
LLC/AG METROPOLITAN SUNRISE, LLC.

PROJECT LOCATION: 3500 SUNRISE HWY, GREAT
RIVER

JOBS (RETAINED/CREATED): RETAINED - -
CREATE - -

INVESTMENT: \$

Date: August 9, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”) held on the 9th day of August, 2016, at 40 Nassau Avenue, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the consent to the continued subleasing of a portion of the Sunrise Business Center 2012 Facility and approving the execution and delivery of related documents.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY PERTAINING TO THE
CONSENT TO THE CONTINUED SUBLEASING OF A
PORTION OF THE SUNRISE BUSINESS CENTER 2012
FACILITY AND APPROVING THE FORM, SUBSTANCE,
EXECUTION AND DELIVERY OF RELATED
DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as may be amended from time to time (collectively, the “**Act**”), the Town of Islip Industrial Development Agency (the “**Agency**”) was created with the authority and power, among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, AG-Metropolitan Sunrise, L.L.C., a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York, having an office at 245 Park Avenue, New York, New York 10167 (the “**Original Company**”), has previously entered into a transaction with the Agency in which the Agency assisted in the acquisition, renovation and equipping of an approximately 41 acre parcel of land (the “**Land**”) with an existing approximately 340,000 aggregate square foot three story building (the “**Building**”) currently known as the Long Island Business and Technology Center located at 3500 Sunrise Highway, Great River, Town of Islip, New York (more specifically described as District 0500, Section 211.00, Block 1 and Lots 005 and 006) and the renovation and equipping of the building to make the Building state-of-the-art in order to provide incentives towards full occupancy by various lessees of the Building (the “**Facility**”); and

WHEREAS, the Agency leased the Facility to the Original Company pursuant to a certain Lease Agreement, dated as of January 1, 2007, amended by an Amendment to Lease Agreement, dated April 20, 2009 (collectively, the “**Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee; and

WHEREAS, the Original Company and University Support Services LLC, a Delaware limited liability company (the “**Tenant**”), previously entered into an Agreement of Lease, dated March 19, 2010, as amended pursuant to a First Amendment to Lease, dated July 16, 2010, as further amended by a Second Amendment of Lease, dated as of December 31, 2011 (collectively, the “**USS Lease**”), between the Original Company and the Tenant, consisting of a portion of the Facility, containing (i) approximately 46,002 rentable square feet of office space known as Suite 100 in Building 300, (ii) approximately 2,000 rentable square feet of storage space in Building 200, and (iii) addition space known as the Courtyard Space, all for use by the Tenant for general office use (the “**Current Demised Premises**”); and

WHEREAS, the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency; and

WHEREAS, such consent was manifested by the execution and delivery of a Tenant Agency Compliance Agreement, dated April, 2010, between the Agency and the Tenant (the **"Tenant Agency Compliance Agreement"**); and

WHEREAS, Original Company and Feil 3500 Sunrise Associates LLC and Feil Business Center Associates LLC, each a Delaware limited liability company, as tenants-in common, each having its principal office at c/o The Feil Organization, 7 Penn Plaza, Suite 618, New York, New York 10001 (collectively, the **"Company"** and each an **"Assignee"**) previously requested that the Agency consent to the assignment of the Original Company's leasehold interest in the Facility to the Company (as tenants in common with Feil 3500 Sunrise Associates LLC having an undivided 45.29% interest and Feil Business Center Associates LLC having an undivided 54.71% interest), and the assumption, on a joint and several basis, of Assignor's leasehold interest in the Facility by the Company; and

WHEREAS, the Agency consented to the assignment of Original Company's leasehold interest in the Facility to the Company, pursuant to a certain Assignment, Assumption and Amendment Agreement, dated as of November 1, 2012 (the **"Assignment, Assumption and Amendment Agreement"**), by and among the Agency, the Assignor and the Assignees; and

WHEREAS, the Company has now entered into negotiations with the Tenant to, among other things, lease additional space to the Tenant within the Facility, consisting of approximately 8,951 square feet of space in Building 300 (the **"Expansion Space"**; and together with the Current Demised Premises, the **"Demised Premises"**), and to extend the term of the USS Lease to January 31, 2029, pursuant to a Third Amendment of Lease, dated July 21, 2016 (the **"Third Amendment to USS Lease"**); and

WHEREAS, the Company has requested that the Agency consent to the leasing of the Expansion Space to the Tenant and the extension of the term of the USS Lease pursuant to the Third Amendment to USS Lease; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the continued subleasing of the Demised Premises.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The continued subleasing of the Demised Premises to the Tenant will promote and maintain the job opportunities, health, general prosperity and economic welfare of the

citizens of the Town of Islip and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(c) The Agency consents to the continued subleasing of the Demised Premises to the Tenant; and

(d) It is desirable and in the public interest for the Agency to consent to the leasing of the Expansion Space to the Tenant and the extension of the term of the USS Lease.

Section 2. In consequence of the foregoing, the Agency hereby determines to consent to the leasing of the Expansion Space to the Tenant and the extension of the term of the USS Lease.

Section 3.

(a) The Chairman, Vice Chairman, Executive Director, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Tenant Agency Compliance Agreement in the form the Chairman, Vice Chairman, Executive Director, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, Executive Director, or any member and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by Chairman, Vice Chairman, Executive Director, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director, or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 5. This resolution shall take effect immediately.

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the "**Agency**"), including the resolutions contained therein, held on the 9th day of August, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of August, 2016.

By _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016

AGENDA ITEM # 3

TYPE OF RESOLUTION: RESOLUTION TO FACILITATE
REFINANCING & ISSUANCE OF AN ADDITIONAL
MORTGAGE

COMPANY: SHRI PARSHWA PADMAVATI & Co.,
LLC/PERFUMEN CENTER OF AMERICA, INC.

PROJECT LOCATION: 2020 OCEAN AVENUE,
RONKONKOMA, NEW YORK

JOBS (RETAINED/CREATED): RETAINED - -
CREATE - -

INVESTMENT: \$

Date: August 9, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York, on the 9th day of August, 2016, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to take action on a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Shri Parshwa Padmavati & Co. LLC/Perfume Center of America, Inc. 2008 Facility) and approving the execution and delivery of related documents.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY AUTHORIZING MORTGAGE
FINANCING AND THE EXECUTION AND DELIVERY OF
LOAN DOCUMENTS IN CONNECTION THEREWITH FOR
THE SHRI PARSHWA PADMAVATI & CO. LLC AND
PERFUME CENTER OF AMERICA, INC. 2008 FACILITY
AND APPROVING THE FORM, SUBSTANCE, EXECUTION
AND DELIVERY OF SUCH RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “**State**”), as amended, and Chapter 47 of the Laws of 1974 of the State, as amended (collectively, the “**Act**”), the Town of Islip Industrial Development Agency (the “**Agency**”) was created with the authority and power, among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously provided its assistance to Shri Parshwa Padmavati & Co. LLC, a New York limited liability company (the “**Company**”) and Perfume Center of America, Inc., a New York business corporation (the “**Sublessee**”), consisting of (a) the acquisition of an approximately 11.0 acre parcel of land located at 2020 Ocean Avenue, Ronkonkoma, New York (the “**Land**”), the construction and equipping of an approximately 160,000 square foot brick and metal panel building to be located thereon, including the construction of up to 6 loading docks (the “**Improvements**”) and the acquisition and installation therein of certain equipment not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is leased by the Agency to the Company and subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”), which Equipment is leased by the Agency to the Sublessee for its primary use in the wholesale distribution of fragrances and related products (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”); and

WHEREAS, the Agency acquired title to the Land pursuant to a certain Bargain and Sale Deed, dated November 24, 2008 (the “**Deed**”), from the Company to the Agency, which such Deed was recorded in the Suffolk County Clerk’s office on December 15, 2008 in Liber 12574 Page 941; and

WHEREAS, the Agency leased the Company Facility to the Company pursuant to a certain Lease Agreement, dated as of November 1, 2008 (the “**Original Lease Agreement**”), between the Agency and the Company, and a Memorandum of Lease Agreement was recorded in the Suffolk County Clerk’s office on December 15, 2008 in Liber 12574 Page 942; and

WHEREAS, the Company subleased the Company Facility to the Sublessee pursuant to a certain Sublease Agreement, dated as of November 24, 2008 (the “**Original Sublease Agreement**”), between the Company and the Sublessee, and a Memorandum of Sublease Agreement was recorded in the Suffolk County Clerk’s office on December 15, 2008 in Liber 12574 Page 943; and

WHEREAS in connection with the leasing and subleasing of the Facility, the Agency, the Company and the Sublessee entered into a certain Environmental Compliance and Indemnification Agreement, dated as of November 1, 2008 (the “**Environmental Compliance and Indemnification Agreement**”), from the Company and the Sublessee to the Agency; and

WHEREAS, in order to define the Company and the Sublessee’s obligations regarding payments-in-lieu-of taxes with respect to the Facility, the Agency, the Company and the Sublessee entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of November 1, 2008 (the “**Original PILOT Agreement**”), pursuant to which the Company and the Sublessee agreed to make payments in lieu of taxes on the Facility; and

WHEREAS, the Agency and the Sublessee entered into a certain Agency Compliance Agreement, dated as of November 1, 2008 (the “**Agency Compliance Agreement**”), between the Agency and the Company; and

WHEREAS, due to unforeseen economic circumstances the Company and the Sublessee were unable to proceed with the construction and equipping of the Facility in 2008; and

WHEREAS, the Company previously submitted a revised application for financial assistance to the Agency reflecting a revision and increase in the square footage of the Facility to 150,000 square feet and additional equipping of the Facility, including but not limited to the installation of a solar roof, and the Agency consented to an extension of the payments-in-lieu-of-taxes benefits presently provided under the PILOT Agreement and in connection therewith, the amendment and extension of the Lease Agreement (the “**Amendment Documents**”); and

WHEREAS, the Agency and the Company previously entered into an Amended and Restated Lease Agreement, dated as of June 1, 2014 (the “**Amended and Restated Lease Agreement**”; and together with the Original Lease Agreement, the “**Lease Agreement**”), between the Agency and the Company, to, among other things, amend the square footage of the Facility to 150,000 square feet, include a new solar roof as part of the Facility Equipment and to extend the term of the Lease Agreement; and

WHEREAS, the Company transferred title to the Facility Equipment to the Agency pursuant to a Bill of Sale, dated June 26, 2014 (the “**Bill of Sale**”); and

WHEREAS, the Company subleased the Company Facility to the Sublessee pursuant to a certain Amended and Restated Sublease Agreement, dated as of June 1, 2014 (the “**Amended and Restated Sublease Agreement**”; and together with the Original Sublease Agreement, the “**Sublease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency leased the Equipment to the Sublessee pursuant to the terms of a certain Equipment Lease Agreement, dated as of June 1, 2014 (the “**Equipment Lease Agreement**”); and

WHEREAS, in order to define the Company’s and the Sublessee’s obligations regarding payments-in-lieu of taxes, the Agency, the Company and the Sublessee entered into an Amended and Restated Payment in Lieu of Tax Agreement, dated as of June 1, 2014 (the “**Amended and**

Restated PILOT Agreement"; and, together with the Original PILOT Agreement, the "**PILOT Agreement**"), by and among the Agency, the Company and the Sublessee, whereby the Company and Sublessee agreed to make certain payments-in-lieu-of-taxes to the Taxing Authorities (as defined therein); and

WHEREAS, the Company and the Sublessee entered into a Recapture Agreement, dated as of June 1, 2014 (the "**Recapture Agreement**"), from the Company and the Sublessee to the Agency in order to reflect the repayment of obligations of the Company and the Sublessee upon the occurrence of a Recapture Event (as defined therein); and

WHEREAS, the Agency previously consented to the financing of the Facility and in connection with such financing, the Agency and the Company entered into a certain Construction Loan, Mortgage with Assignment of Rents, Security Agreement and Fixture Filing, dated on or about June 26, 2014 (the "**Original Mortgage**"), from the Company and the Agency to Citibank, N.A. (the "**Original Lender**"), securing the principal amount of \$19,200,000; and

WHEREAS, the Company has now requested that the Agency consent to enter into a second mortgage permanent financing with the Original Lender and a lender or lenders not yet determined (collectively, the "**2016 Lender**"), with respect to the Facility in the aggregate principal amount presently expected to be \$6,540,523.20 but not to exceed \$10,000,000 (the "**2016 Loan**"); and

WHEREAS, the proceeds of the 2016 Loan will be used to reimburse the Company for additional expenditures required for the completion of the Facility; and

WHEREAS, as security for such 2016 Loan being made to the Company by the 2016 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2016 Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the 2016 Lender (the "**2016 Loan Documents**"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes securing the principal amount presently estimated to be \$6,540,523.20 but not to exceed \$10,000,000 in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company, consistent with the policies of the Agency, in the form of an exemption from mortgage recording taxes; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the refinancing of the Facility.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1.

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility continues to constitute a “project”, as such term is defined in the Act; and

(c) The mortgaging of the Facility by the Agency and the Company as contemplated in this resolution will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The mortgaging of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry; and

(e) Based upon representations of the Company and Company’s counsel, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located; and

(f) It is desirable and in the public interest for the Agency to assist in the refinancing of the Facility; and

(g) The 2016 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2016 Loan and assign to the 2016 Lender their respective rights under the Lease Agreement (except the Agency’s Unassigned Rights as defined therein).

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the 2016 Lender (the “**2016 Mortgage**”), (ii) execute, deliver and perform the 2016 Mortgage, and (iii) execute, deliver and perform the 2016 Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the 2016 Loan or any subsequent refinancing of the 2016 Mortgage.

Section 3. The Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2016 Loan Documents and 2016 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2016 Loan, or any subsequent refinancing of the 2016 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2016 Mortgage and 2016 Loan Documents to which the Agency is a party, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Executive Director, or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) The Chairman, Executive Director, and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 5. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 6. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Facility.

Section 7. This resolution shall take effect immediately.

ADOPTED: August 9, 2016

ACCEPTED: _____ 2016

SHRI PARSHWA PADMAVATI & CO., LLC

By: _____
Printed Name

PERFUME CENTER OF AMERICA INC.

By: _____
Printed Name

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on August 9, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings is in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of August, 2016.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016

AGENDA ITEM # 4

TYPE OF RESOLUTION: AMEND & REDEFINE
ORIGINAL LEASE

COMPANY: CMB WIRELESS GROUP, LLC.,/D/B/A
COMMUNICATIONS WIRELESS GROUP.

PROJECT LOCATION: 4000 VETERANS MEMORIAL
HIGHWAY, BOHEMIA

JOBS (RETAINED/CREATED): RETAINED - -
CREATE - -

INVESTMENT: \$

Date: August 9, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York, on the 9th day of August, 2016, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to take action on certain matters pertaining to the release of a certain parcel of land in connection with a certain industrial development facility more particularly described below (4000 Veterans Hwy LLC/CMB Wireless Group LLC 2011 Facility) and approving the execution and delivery of related documents.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY AUTHORIZING THE RELEASE
OF A CERTAIN PARCEL OF LAND AND THE EXECUTION
AND DELIVERY OF DOCUMENTS IN CONNECTION
THEREWITH FOR THE 4000 VETERANS HWY LLC/CMB
WIRELESS GROUP LLC 2011 FACILITY AND APPROVING
THE FORM, SUBSTANCE, EXECUTION AND DELIVERY
OF SUCH RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “**State**”), as amended, and Chapter 47 of the Laws of 1974 of the State, as amended (collectively, the “**Act**”), the Town of Islip Industrial Development Agency (the “**Agency**”) was created with the authority and power, among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously provided its assistance to 4000 Veterans Hwy LLC, a limited liability company (the “**Company**”), and CMB Wireless Group LLC d/b/a Communications Wireless Group, a limited liability company (the “**Sublessee**”) in connection with the renovation and equipping of an approximately 65,220 square foot building (the “**Improvements**”) located on an approximately 7.28 acre of land located at 4000 Veterans Memorial Highway, Bohemia, New York 11716 (the “**Original Land**”, together with the Improvements the “**Original Facility**”), title to which Original Facility was acquired by the Agency pursuant to a Bargain and Sale Deed dated May 10, 2011 and was leased by the Agency to the Company and was subleased by the Company to the Sublessee for its primary use as a remanufacturer of cell phones, PDA’s and related accessories; and

WHEREAS, the Agency leased the Original Facility to the Company pursuant to a certain Lease Agreement, dated as of May 1, 2011 (the “**Original Lease Agreement**”) by and between the Agency as lessor, and the Company as lessee; and

WHEREAS, the Company subleased the Original Facility to the Sublessee pursuant to a certain Sublease Agreement, dated May 1, 2011 (the “**Sublease Agreement**”), by and between the Company and the Sublessee; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Agency, the Company, and the Sublessee entered into a certain PILOT Agreement, dated as of May 1, 2011 (the “**Original PILOT Agreement**”), whereby the Company and the Sublessee agreed to make payments-in-lieu-of-taxes on the Original Facility; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Agency and the Sublessee entered into a certain Agency Compliance Agreement, dated as of May 1, 2011 (the “**Original Agency Compliance Agreement**”) by and between the Agency and the Sublessee; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Agency, the Company, and the Sublessee entered into a certain Environmental Compliance and Indemnification Agreement, dated as of May 1, 2011 (the “**Original Environmental**

Compliance and Indemnification Agreement”), by and among the Agency, the Company, and the Sublessee; and

WHEREAS, the Company has now requested that the Agency consent to the release of an approximately 3.94 acre parcel of land from the definition of the Original Facility (the **“Released Property”**); and

WHEREAS, in connection with such Released Property, the Agency, the Company and the Sublessee agree to modify the description of the Land conveyed by the Original Lease, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, it is the intent of the parties hereto to amend the definition of the Original Facility in the Original Lease Agreement, the Original Environmental Compliance and Indemnification Agreement and the Original PILOT Agreement to exclude the Released Property therefrom pursuant to a certain Amendment and Modification Agreement, to be dated as of August 1, 2016, or such other date as may be approved by the Chairman, the Executive Director of the Agency and counsel to the Agency (the **“Amendment and Modification Agreement”**); and

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by release of the Released Property from the Original Facility.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1.

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Original Facility constitutes a “project”, as such term is defined in the Act; and

(c) The operation of the Original Facility by the Company will continue to promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The Amendment and Modification Agreement will be an effective instrument whereby the Agency provides for the release of the Released Property from the Original Lease Agreement, the Original Environmental Compliance and Indemnification Agreement and the Original PILOT Agreement.

Section 2. In consequence of the foregoing, the Agency hereby determines to execute and deliver the Amendment and Modification Agreement and any other documents required to release the Released Property from the Original Facility.

Section 3. The form and substance of the Amendment and Modification Agreement (in substantially the form presented to the Agency or in such form as the Chairman, the Executive Director, counsel to the Agency or any member of the Agency shall approve, and which, prior to the execution and delivery thereof, may be redated) is hereby approved.

Section 4. The Chairman, the Executive Director, counsel to the Agency and all members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Amendment and Modification Agreement and any other documents required to release the Released Property from the Original Facility in substantially the form presented to this meeting or in such forms as the Chairman, the Executive Director, counsel to the Agency and all members shall approve. The execution thereof by the Chairman, the Executive Director, counsel to the Agency and all members of the Agency shall constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Amendment and Modification Agreement and to execute and deliver all such additional certificates, instruments and documents, including but not limited to any guaranty or indemnity agreement or similar instrument running to the benefit of the Agency, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Amendment and Modification Agreement binding upon the Agency.

Section 6. Any expenses incurred by the Agency with respect to the Released Property from the Original Facility shall be paid by the Company and/or the Sublessee. By acceptance hereof, the Company and the Sublessee agree to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Original Facility.

Section 7. This resolution shall take effect immediately.

ADOPTED: August 9, 2016

ACCEPTED: _____ 2016

4000 VETERANS HWY LLC

By: _____
Printed Name

**CMB WIRELESS GROUP LLC D/B/A
COMMUNICATIONS WIRELESS GROUP**

By: _____
Printed Name

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on August 9, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings is in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of August, 2016.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016

AGENDA ITEM # 5

TYPE OF RESOLUTION: ISSUE BONDS OR IN THE
ALTERNATIVE A STRAIGHT LEASE TRANSACTION

COMPANY: FEINBLOOM MURPHY, LTD./DFV
REALTY, LLC

PROJECT LOCATION: 4000 VETERANS MEMORIAL
HIGHWAY, BOHEMIA

JOBS (RETAINED/CREATED): RETAINED - -
CREATE - -

INVESTMENT: \$

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF ITS TAX-EXEMPT INDUSTRIAL DEVELOPMENT REVENUE BONDS (THE "TAX-EXEMPT BONDS") OR ITS TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS (THE "TAXABLE BONDS"; AND, TOGETHER WITH THE TAX-EXEMPT BONDS, THE "BONDS") IN THE AGGREGATE PRINCIPAL AMOUNT PRESENTLY ESTIMATED TO BE APPROXIMATELY \$9,000,000, BUT NOT TO EXCEED \$14,000,000, OR A COMBINATION THEREOF (OR, IN THE ALTERNATIVE, ENTERING INTO A STRAIGHT LEASE TRANSACTION), IN AN AMOUNT SUFFICIENT TO FINANCE CERTAIN COSTS OF AN INDUSTRIAL DEVELOPMENT FACILITY FOR FEINBLOOM MURPHY LTD. A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF FEINBLOOM MURPHY LTD. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND DFV REALTY LLC A LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF DVF REALTY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND DESIGNS FOR VISION, INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF DESIGNS FOR VISION, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT(S) OF THE ISSUER FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY, MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY AND REQUESTING THE TOWN OF ISLIP TO APPROVE THE ISSUANCE OF THE BONDS, IF BONDS ARE ISSUED.

WHEREAS, the Town of Islip Industrial Development Agency (the "**Issuer**") has previously provided its assistance to 4000 Veterans Hwy LLC, a limited liability company (the "**Original Company**"), and CMB Wireless Group LLC d/b/a Communications Wireless Group, a limited liability company duly (the "**Original Sublessee**") in connection with the renovation and equipping of an approximately 65,220 square foot building (the "**Improvements**") located on an approximately 7.28 acre of land located at 4000 Veterans Memorial Highway, Bohemia, New York 11716 (the "**Original Land**", together with the Improvements the "**Original Facility**"), title to which Original Facility was acquired by the Issuer pursuant to a Bargain and Sale Deed dated May 10, 2011 and was leased by the Issuer to the Company and was subleased by the Original Company to the Original Sublessee for its primary use as a remanufacturer of cell phones, PDA's and related accessories; and

WHEREAS, the Issuer leased the Original Facility to the Original Company pursuant to a certain Lease Agreement, dated as of May 1, 2011 (the "**Original Lease Agreement**") by and between the Issuer, as lessor, and the Company, as lessee; and

WHEREAS, the Original Company subleased the Original Facility to the Original Sublessee pursuant to a certain Sublease Agreement, dated May 1, 2011 (the “**Sublease Agreement**”), by and between the Original Company and the Original Sublessee; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Issuer, the Company, and the Original Sublessee entered into a certain PILOT Agreement, dated as of May 1, 2011 (the “**Original PILOT Agreement**”), whereby the Original Company and the Original Sublessee agreed to make payments-in-lieu-of-taxes on the Original Facility; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Issuer and the Original Sublessee entered into a certain Agency Compliance Agreement, dated as of May 1, 2011 (the “**Original Agency Compliance Agreement**”) by and between the Issuer and the Original Sublessee; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Issuer, the Original Company, and the Original Sublessee entered into a certain Environmental Compliance and Indemnification Agreement, dated as of May 1, 2011 (the “**Original Environmental Compliance and Indemnification Agreement**”), by and among the Issuer, the Original Company, and the Original Sublessee; and

WHEREAS, the Issuer previously consented to a request from the Original Company to the release of an approximately 3.34 acre parcel of land from the definition of the Original Facility (the “**Released Property**”); and

WHEREAS, in connection with such Released Property, the Issuer, the Original Company and the Original Sublessee agreed to modify the description of the Land conveyed by the Original Lease, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, subsequent to the amendment and modification of the documents in connection with the Released Property, the Original Company entered into an agreement of sale for the Original Facility, less the Released Property, the “**Facility**” (as hereinafter defined); and

WHEREAS, Feinbloom Murphy Ltd., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Feinbloom Murphy Ltd. and/or an entity formed or to be formed on behalf of any of the foregoing (“**Feinbloom Murphy**”) and DFV Realty LLC, a limited liability company on behalf of itself and/or the principals of DFV Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (“**DFV Realty**”; and, together with Feinbloom Murphy, the “**Company**”), and Designs For Vision, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Designs For Vision, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Issuer requesting that the Issuer issue its Tax-Exempt Industrial Development Revenue Bonds (the “**Tax-Exempt Bonds**”), pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the “**Code**”), or its Taxable Industrial Development Revenue Bonds (the “**Taxable Bonds**”; and, together with the Tax-Exempt Bonds, the “**Bonds**”), or a combination thereof (or, in the alternative, entering into a straight lease transaction), in an

amount sufficient to finance certain costs of the acquisition of an approximately 3.94 acre parcel of land located at 4000 Veterans Memorial Highway, Bohemia, New York (the “**Land**”), the renovation of an approximately 66,000 square foot building located thereon (the “**Improvements**”) and the acquisition and installation therein of certain equipment not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased and subleased by the Issuer to the Company and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property including, but not limited to two lathes and milling machines and equipment for processing (collectively, the “**Equipment**”), which Equipment is to be leased by the Issuer to the Sublessee (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”), and which Facility is to be used by the Sublessee as office, manufacturing, research and development and warehouse space in its business as a designer, engineer and manufacturer of optical and illumination devices to enhance the vision of clinical specialists and persons with partial vision; and

WHEREAS, in connection with the assistance requested by the Company and the Sublessee of the Issuer, there has also been submitted to the Issuer a request to consent to the assignment and assumption of the leasehold interest in the Facility by the Original Company to the Company (the “**Assignment**”); and

WHEREAS, the Original Company’s leasehold interest in the Facility will be assigned by the Original Company to the Company pursuant to and in accordance with an Assignment, Assumption and Amendment Agreement, dated as of August 1, 2016 or such other date as may be determined by the Chairman, Executive Director or counsel to the Issuer (the “**Assignment, Assumption and Amendment Agreement**”), by and among the Original Company, the Original Sublessee, the Company, the Sublessee and the Issuer, and the Company will assume all of Original Company’s right, title, interest, liability, duties and obligations with respect to the Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Company under the Transaction Documents (as defined in the Original Lease Agreement), including, without limitation, the Original Lease Agreement, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, the Company has also requested that the Issuer extend the term of the Original Lease Agreement for an additional period of time to be determined prior to the date of the Hearing (as defined below) and further amend and restate the Original PILOT Agreement to reflect such extension of benefits (the “**PILOT Extension**”); and

WHEREAS, in connection with the Assignment and the PILOT Extension, the Issuer and the Company will enter into a certain Amended and Restated Lease and Project Agreement, dated as of August 1, 2016 or such other date as may be determined by the Chairman, Executive Director or counsel to the Issuer (the “**Amended and Restated Lease Agreement**”); and

WHEREAS, the Issuer will lease and sublease the Company Facility to the Company for further sublease by the Company to the Sublessee and will lease the Equipment to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York,

as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “Act”); and

WHEREAS, the Act authorizes and empowers the Issuer to issue its bonds or in the alternative, to enter into a straight lease transaction, to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, in addition to the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction), the Issuer contemplates that it will provide financial assistance to the Company and the Sublessee in connection with the Facility, consistent with the policies of the Issuer, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, if applicable, exemptions from sales and use taxes and abatement of real property taxes, consistent with the policies of the Agency, all to be more particularly described in a Bond Resolution, or a Final Authorizing Resolution, to be adopted by the Issuer prior to the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction); and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; and

WHEREAS, pursuant to Section 147(f) of the Code and Section 859-a of the Act, interest on the Tax-Exempt Bonds will not be excluded from gross income for federal income tax purposes unless the issuance of the Tax-Exempt Bonds is approved by the “applicable elected representative” of the Town of Islip (the “**Town Supervisor**”) after a public hearing has been held on the Facility and the issuance of the Tax-Exempt Bonds; and

WHEREAS, notice of the public hearing (the “**Hearing**”) will be given prior to the issuance of the Tax-Exempt Bonds, the Taxable Bonds, or a combination thereof (or in the alternative, the entering into of a straight lease transaction), and the granting of any tax benefits, such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, prior to the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction), and the granting of any tax benefits, a public hearing will be held so that all persons with views in favor of or opposed to either the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction), the other financial assistance contemplated by the Issuer, or the location or nature of the Facility, can be heard, the minutes of which will be annexed hereto as Exhibit B; and

WHEREAS, the Issuer has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is either an inducement to the Company and the Sublessee to maintain and expand the Facility in the Town of Islip or is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

WHEREAS, the Company reasonably expects that it will pay or incur certain capital expenditures in connection with the Facility prior to the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction), for the Facility; and

WHEREAS, the Company will use funds from sources other than Bond Proceeds which are or will be available on a short-term basis to pay for preliminary expenditures and the acquisition, renovation and equipping of the Facility; and

WHEREAS, the Company reasonably expects that it will reimburse itself for the use of such funds with proceeds of indebtedness to be issued by the Issuer to finance the costs of the Facility; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act” or “SEQR”), the Issuer constitutes a “State Agency”; and

WHEREAS, to aid the Issuer in determining whether the Facility may have a significant effect upon the environment, the Company and the Sublessee have prepared and submitted to the Issuer an Environmental Assessment Form and related documents (the “Questionnaire”) with respect to the Facility, a copy of which is on file at the office of the Issuer; and

WHEREAS, the Questionnaire has been reviewed by the Issuer.

WHEREAS, the Company and the Sublessee have agreed to indemnify the Issuer against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction);

NOW, THEREFORE, BE IT RESOLVED by the Town of Islip Industrial Development Issuer (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Questionnaire completed by the Company and the Sublessee and reviewed by the Issuer and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Issuer determines that the action relating to the acquisition, renovation, equipping and operation of the Facility is an “unlisted” action, as that term is defined in the SEQR Act. The Issuer also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Executive Director of the Issuer or counsel to the Issuer.

Section 2. (a) The financing or refinancing of the costs of the acquisition, renovation and equipping of the Facility and the financing thereof by the Issuer, through the issuance of its Tax-Exempt Bonds, or Taxable Bonds, or a combination thereof

(or, in the alternative, entering into the straight lease transaction), pursuant to the Act, and the provision of other financial assistance in connection therewith pursuant to the Act, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Islip and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved;

(b) It is desirable and in the public interest for the Issuer to issue the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction), for the purpose of financing or refinancing of the costs of the acquisition, renovation and equipping of the Facility, together with necessary incidental expenses in connection therewith as reflected in the Company's application to the Issuer and as amended from time to time prior to the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, entering into the straight lease transaction). The currently estimated aggregate principal amount of the Bonds, if Bonds are issued, is approximately \$9,000,000, but not to exceed \$14,000,000.

Section 3.

Subject to the approval of the issuance of the Tax-Exempt Bonds, if Tax-Exempt Bonds are issued, by the Town Supervisor of the Town of Islip, and the compliance with any other applicable provisions of the Code, the Issuer shall (i) issue the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, enter into the straight lease transaction), in an amount and with maturities, an interest rate, redemption terms and other terms and provisions to be determined by a further resolution of the Issuer, (ii) finance or refinance the costs of the acquisition, renovation and equipping of the Facility, (iii) lease (with an obligation to purchase) or sell the Facility to the Company pursuant to an agreement by and between the Issuer and the Company whereby the Company will be obligated, among other things, to make payments to or for the account of the Issuer in amounts and at times so that such payments will be adequate to pay the principal of, premium, if any, and interest on the Bonds, if Bonds are issued, and (iv) secure the Bonds, if Bonds are issued, or in the alternative, enter into a straight lease transaction, in such manner as the Issuer, the Company and the Purchaser(s) of the Bonds, if Bonds are issued, mutually deem appropriate. If the proceeds of the sale of the Bonds, if Bonds are issued, are insufficient to finance or refinance the acquisition, renovation and equipping of the Facility, the Issuer will, upon the request of the Company, take such actions and execute such documents as may be necessary to effect the issuance from time to time of additional bonds, whether on a parity with the Bonds, if Bonds are issued, or otherwise, for the purpose of paying the costs of completing the Facility.

Section 4.

Subject to the conditions of these resolutions, the Company is hereby authorized to undertake the financing of the Facility with the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, enter into the straight lease transaction).

- Section 5. To the extent the Company has paid or incurred or will pay or incur preliminary expenditures or hard costs in connection with the Facility with current funds, it reasonably expects to reimburse itself with proceeds from the Bonds, if Bonds are issued.
- Section 6. The law firm of Nixon Peabody LLP is hereby appointed Bond Counsel to the Issuer in connection with the issuance of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, Transaction Counsel to the Issuer in connection with any straight lease transaction).
- Section 7. Counsel to the Issuer and Bond Counsel are hereby authorized to work with counsel to the Company and others to prepare, for submission to the Issuer, all documents necessary to effect the authorization, issuance and sale of the Tax-Exempt Bonds, or the Taxable Bonds, or a combination thereof (or, in the alternative, in connection with any straight lease transaction).
- Section 8. The Executive Director of the Issuer is hereby authorized and directed (i) to distribute copies of this resolution to the Company, (ii) to request the Town Supervisor of the Town of Islip to approve the issuance of the Tax-Exempt Bonds if Tax-Exempt Bonds are to be issued, and (iii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.
- Section 9. The Company and the Sublessee hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Issuer pursuant to the transactions contemplated by this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and a recapture agreement.
- Section 10. Any expenses incurred by the Issuer with respect to the Facility, including expenses of Bond Counsel, shall be paid by the Company and/or the Sublessee. By acceptance hereof, the Company and the Sublessee agree to pay such expenses and further agree to indemnify the Issuer, its members, directors, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer in good faith with respect to the Facility.

Section 11. This resolution shall take effect immediately.

ADOPTED: August 9, 2016

ACCEPTED: _____, 2016

FEINBLOOM MURPHY LTD.

By: _____

Name:

Title:

DFV REALTY LLC

By: _____

Name:

Title:

DESIGNS FOR VISION, INC.

By: _____

Name:

Title:

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Town of Islip Industrial Development Agency (the “**Issuer**”) with the original thereof on file in the office of the Issuer, and the same is a true and correct copy of such resolution and of the proceedings of the Issuer in connection with such matter.

Such resolution was passed at a meeting of the Issuer duly convened in public session on August 9, 2016, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present:

Absent:

Also Present:

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Voting Aye

and, therefore, the resolution was declared duly adopted.

The Application is in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Issuer had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of August 9, 2016.

Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “**Code**”) and Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency (the “**Issuer**”) on the ____ day of August, 2016, at _____ a.m., local time, at the Town of Islip, Offices of Economic Development, 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

The Issuer has previously provided its assistance to 4000 Veterans Hwy LLC, a limited liability company (the “**Original Company**”), and CMB Wireless Group LLC d/b/a Communications Wireless Group, a limited liability company duly (the “**Original Sublessee**”) in connection with the renovation and equipping of an approximately 65,220 square foot building (the “**Improvements**”) located on an approximately 7.28 acre of land located at 4000 Veterans Memorial Highway, Bohemia, New York 11716 (the “**Original Land**”, together with the Improvements the “**Original Facility**”), title to which Original Facility was acquired by the Issuer pursuant to a Bargain and Sale Deed dated May 10, 2011 and was leased by the Issuer to the Company and was subleased by the Original Company to the Original Sublessee for its primary use as a remanufacturer of cell phones, PDA’s and related accessories.

The Issuer previously consented to a request from the Original Company to the release of an approximately 3.34 acre parcel of land from the definition of the Original Facility (the “**Released Property**”), and in connection with such Released Property, the Issuer, the Original Company and the Original Sublessee agreed to modify the description of the Land conveyed by the Original Lease, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement.

Subsequent to the amendment and modification of the documents in connection with the Released Property, the Original Company entered into an agreement of sale for the Original Facility, less the Released Property, the “**Facility**” (as hereinafter defined).

Feinbloom Murphy Ltd., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Feinbloom Murphy Ltd. and/or an entity formed or to be formed on behalf of any of the foregoing (“**Feinbloom Murphy**”) and DFV Realty LLC, a limited liability company on behalf of itself and/or the principals of DFV Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (“**DFV Realty**”; and, together with Feinbloom Murphy, the “**Company**”), and Designs For Vision, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Designs For Vision, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Issuer requesting that the Issuer issue its Tax-Exempt Industrial Development Revenue Bonds (the “**Tax-Exempt Bonds**”), pursuant to Section 145 of the Code, or its Taxable Industrial

Development Revenue Bonds (the “**Taxable Bonds**”); and, together with the Tax-Exempt Bonds, the “**Bonds**”), or a combination thereof (or, in the alternative, entering into a straight lease transaction), in an amount sufficient to finance certain costs of the acquisition of an approximately 3.94 acre parcel of land located at 4000 Veterans Memorial Highway, Bohemia, New York (the “**Land**”), the renovation of an approximately 66,000 square foot building located thereon (the “**Improvements**”) and the acquisition and installation therein of certain equipment not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased and subleased by the Issuer to the Company and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property including, but not limited to two lathes and milling machines and equipment for processing (collectively, the “**Equipment**”), which Equipment is to be leased by the Issuer to the Sublessee (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”), and which Facility is to be used by the Sublessee as office, manufacturing, research and development and warehouse space in its business as a designer, engineer and manufacturer of optical and illumination devices to enhance the vision of clinical specialists and persons with partial vision. The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

In connection with the assistance requested by the Company and the Sublessee of the Issuer, there has also been submitted to the Issuer a request to consent to the assignment and assumption of the leasehold interest in the Facility by the Original Company to the Company (the “**Assignment**”), whereby the Original Company’s leasehold interest in the Facility will be assigned by the Original Company to the Company pursuant to and in accordance with an Assignment, Assumption and Amendment Agreement (the “**Assignment, Assumption and Amendment Agreement**”), and the Company will assume all of Original Company’s right, title, interest, liability, duties and obligations with respect to the Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Company under the Transaction Documents (as defined in the Original Lease Agreement), including, without limitation, the Original Lease Agreement, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement.

The Company has also requested that the Issuer extend the term of the Original Lease Agreement for an additional period of time [of up to _____ years] and further amend and restate the Original PILOT Agreement to reflect such extension of benefits (the “**PILOT Extension**”).

The Bonds, if issued, will be a special obligation of the Issuer payable solely out of the proceeds from the sale or lease of the Facility to the Company and from other amounts payable to the Issuer and certain other assets of the Company pledged to the repayment of the Bonds. The Bonds shall not be a debt of the State of New York or any political subdivision thereof, including the Town of Islip, and neither the State of New York nor any political subdivision thereof, including the Town of Islip, shall be liable thereon.

In addition to the issuance of the Bonds, the Issuer contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from sales and use taxes in connection with the renovation and equipping of the Facility, exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or

permanent financing of the Facility and abatement of real property taxes, all consistent with the policies of the Issuer.

A representative of the Issuer will, at the above-stated time and place, hear and accept oral or written comments from all persons with views in favor of or opposed to either the issuance of the Bonds, the granting of other financial assistance contemplated by the Issuer or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company and the Sublessee with the Issuer, and an analysis of the costs and benefits of the proposed Facility.

Minutes of the hearing will be made available to the Town Board of the Town of Islip. Approval of the issuance of the Bonds, if issued by the Town of Islip, through the Town Board of the Town of Islip, is necessary in order for the interest on the Bonds, if issued, to be excluded from gross income for federal income tax purposes.

Dated: August __, 2016

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
AUGUST __, 2016

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(FEINBLOOM MURPHY LTD./DFV REALTY LLC/DESIGNS FOR VISION, INC. 2016
FACILITY)

Section 1. _____ of the Town of Islip Industrial Development Agency (the “**Issuer**”) called the hearing to order.

Section 2. _____ then appointed himself the hearing officer of the Issuer, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Issuer and the location and nature of the Facility as follows:

The Issuer has previously provided its assistance to 4000 Veterans Hwy LLC, a limited liability company (the “**Original Company**”), and CMB Wireless Group LLC d/b/a Communications Wireless Group, a limited liability company duly (the “**Original Sublessee**”) in connection with the renovation and equipping of an approximately 65,220 square foot building (the “**Improvements**”) located on an approximately 7.28 acre of land located at 4000 Veterans Memorial Highway, Bohemia, New York 11716 (the “**Original Land**”, together with the Improvements the “**Original Facility**”), title to which Original Facility was acquired by the Issuer pursuant to a Bargain and Sale Deed dated May 10, 2011 and was leased by the Issuer to the Company and was subleased by the Original Company to the Original Sublessee for its primary use as a remanufacturer of cell phones, PDA’s and related accessories.

The Issuer previously consented to a request from the Original Company to the release of an approximately 3.34 acre parcel of land from the definition of the Original Facility (the “**Released Property**”), and in connection with such Released Property, the Issuer, the Original Company and the Original Sublessee agreed to modify the description of the Land conveyed by the Original Lease, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement.

Subsequent to the amendment and modification of the documents in connection with the Released Property, the Original Company entered into an agreement of sale for the Original Facility, less the Released Property, the “**Facility**” (as hereinafter defined).

Feinbloom Murphy Ltd., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Feinbloom Murphy Ltd. and/or an entity formed or to be formed on behalf of any of the foregoing

(“**Feinbloom Murphy**”) and DFV Realty LLC, a limited liability company on behalf of itself and/or the principals of DFV Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (“**DVF Realty**”; and, together with Feinbloom Murphy, the “**Company**”), and Designs For Vision, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Designs For Vision, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Issuer requesting that the Issuer issue its Tax-Exempt Industrial Development Revenue Bonds (the “**Tax-Exempt Bonds**”), pursuant to Section 145 of the Code, or its Taxable Industrial Development Revenue Bonds (the “**Taxable Bonds**”; and, together with the Tax-Exempt Bonds, the “**Bonds**”), or a combination thereof (or, in the alternative, entering into a straight lease transaction), in an amount sufficient to finance certain costs of the acquisition of an approximately 3.94 acre parcel of land located at 4000 Veterans Memorial Highway, Bohemia, New York (the “**Land**”), the renovation of an approximately 66,000 square foot building located thereon (the “**Improvements**”) and the acquisition and installation therein of certain equipment not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased and subleased by the Issuer to the Company and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property including, but not limited to two lathes and milling machines and equipment for processing (collectively, the “**Equipment**”), which Equipment is to be leased by the Issuer to the Sublessee (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”), and which Facility is to be used by the Sublessee as office, manufacturing, research and development and warehouse space in its business as a designer, engineer and manufacturer of optical and illumination devices to enhance the vision of clinical specialists and persons with partial vision. The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

In connection with the assistance requested by the Company and the Sublessee of the Issuer, there has also been submitted to the Issuer a request to consent to the assignment and assumption of the leasehold interest in the Facility by the Original Company to the Company (the “**Assignment**”), whereby the Original Company’s leasehold interest in the Facility will be assigned by the Original Company to the Company pursuant to and in accordance with an Assignment, Assumption and Amendment Agreement (the “**Assignment, Assumption and Amendment Agreement**”), and the Company will assume all of Original Company’s right, title, interest, liability, duties and obligations with respect to the Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Company under the Transaction Documents (as defined in the Original Lease Agreement), including, without limitation, the Original Lease Agreement, the Original PILOT Agreement and the Original Environmental Compliance and Indemnification Agreement.

The Company has also requested that the Issuer extend the term of the Original Lease Agreement for an additional period of time [of up to ____ years] and further amend and restate the Original PILOT Agreement to reflect such extension of benefits (the **"PILOT Extension"**).

The Bonds, if issued, will be a special obligation of the Issuer payable solely out of the proceeds from the sale or lease of the Facility to the Company and from other amounts payable to the Issuer and certain other assets of the Company pledged to the repayment of the Bonds. The Bonds shall not be a debt of the State of New York or any political subdivision thereof, including the Town of Islip, and neither the State of New York nor any political subdivision thereof, including the Town of Islip, shall be liable thereon.

In addition to the issuance of the Bonds, the Issuer contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from sales and use taxes in connection with the renovation and equipping of the Facility, exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility and abatement of real property taxes, all consistent with the policies of the Issuer.

Section 4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Issuer and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at _____ a.m./p.m.

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Issuer**”) on August __, 2016, at __ a.m., local time, at Town of Islip, Offices of Economic Development, 40 Nassau Avenue, Islip, New York 11751, with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of August __, 2016.

Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016**

AGENDA ITEM # 6

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: M S INTERNATIONAL, INC.

**PROJECT LOCATION: 50 HEARTLAND BOULEVARD,
BRENTWOOD**

**JOBS (RETAINED/CREATED): RETAINED - N/A -
CREATE - 15 -**

INVESTMENT: \$9,150,000.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION
TOWARD APPOINTING M S INTERNATIONAL, INC., A
BUSINESS CORPORATION ON BEHALF OF ITSELF
AND/OR THE PRINCIPALS OF M S INTERNATIONAL,
INC. AND/OR AN ENTITY FORMED OR TO BE FORMED
ON BEHALF OF ANY OF THE FOREGOING, AS
AGENT(S) OF THE AGENCY FOR THE PURPOSE OF
ACQUIRING, RENOVATING AND EQUIPPING THE
FACILITY AND MAKING CERTAIN FINDINGS AND
DETERMINATIONS WITH RESPECT TO THE FACILITY

WHEREAS, M S International, Inc, a business corporation, organized and existing under the laws of the State of Indiana and authorized to transact business in the State of New York, on behalf of itself and/or the principals of M S International, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Applicant**” and the “**Sublessee**”), has applied to the Town of Islip Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 6.6 acre parcel of land located at 50 Heartland Boulevard, Brentwood, New York 11717 (the “**Land**”), the renovation of an approximately 75,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility will be subleased and leased by the Agency to a real estate holding company formed or to be formed on behalf of the Applicant (the “**Company**”), and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and, together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which Facility will be used in part by the Sublessee for its primary use as a distribution facility with warehouse and office space in its business as a wholesale distributor of flooring, counter tops, wall tile and hardscaping products; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and Equipment, will sublease and lease the Company Facility to the Company for further sublease to the Sublessee and will lease the Equipment to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in connection with the Facility, consistent with the policies of the Agency, in the form of exemptions from sales and use taxes and abatement of real property taxes, consistent with the policies of the Agency, all to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have made a determination for financial assistance; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the "**Hearing**") will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of the transaction described herein, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed financial assistance is either an inducement to the Company and the Sublessee to maintain the Facility in the Town of Islip or is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**" or "**SEQR**"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company and Sublessee have prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "**Questionnaire**") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Town of Islip Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Environmental Assessment Form completed by the Company and Sublessee and reviewed by the Agency and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping, and operation of

the Facility is an “unlisted” action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 2. The acquisition, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Company Facility to the Company for the further subleasing to the Sublessee, the leasing of the Equipment to the Sublessee and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Islip and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 3. Subject to the provisions of this resolution, the Agency shall (i) acquire, renovate and equip the Facility, (ii) lease and sublease the Company Facility to the Company and (iii) lease the Equipment to the Sublessee.

Section 4. The Company and the Sublessee hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act the recapture provisions of the Lease and Project Agreement, dated a date to be determined (the “**Lease Agreement**”), by and between the Company and the Agency.

Section 5. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate described in the foregoing resolution.

Section 6. The Chairman, the Executive Director and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 7. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company and the Sublessee. By acceptance hereof, the Company and the Sublessee agree to pay such expenses and further agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 8. This resolution shall take effect immediately.

ADOPTED: August 9, 2016

ACCEPTED: _____ 2016

By: _____

Name:

Title:

M S INTERNATIONAL, INC.

By: _____

Name:

Title:

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Town of Islip Industrial Development Agency (the “**Agency**”) with the original thereof on file in the office of the Agency, and the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on August 9, 2016, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present:

Absent:

Also Present:

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Voting Aye

and, therefore, the resolution was declared duly adopted.

The Application is in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of August 9, 2016.

Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency (“the **Agency**”) on the ____ day of August, 2016, at _____.m., local time, at 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

M S International, Inc, a business corporation, organized and existing under the laws of the State of Indiana and authorized to transact business in the State of New York, on behalf of itself and/or the principals of M S International, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Applicant**” and the “**Sublessee**”), has applied to the Town of Islip Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 6.6 acre parcel of land located at 50 Heartland Boulevard, Brentwood, New York 11717 (the “**Land**”), the renovation of an approximately 75,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility will be subleased and leased by the Agency to a real estate holding company formed or to be formed on behalf of the Applicant (the “**Company**”), and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and, together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which Facility will be used in part by the Sublessee for its primary use as a distribution facility with warehouse and office space in its business as a wholesale distributor of flooring, counter tops, wall tile and hardscaping products. The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from sales and use taxes and abatement of real property taxes, consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company and the Sublessee or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company and the Sublessee with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: August ___, 2016

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT
AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
August __, 2016

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(M S INTERNATIONAL, INC. 2016 FACILITY)

Section 1. _____ of the Town of Islip Industrial Development Agency (the “**Agency**”) called the hearing to order.

Section 2. The _____ then appointed _____, the _____ of the Agency, the hearing officer of the Agency, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

M S International, Inc, a business corporation, organized and existing under the laws of the State of Indiana and authorized to transact business in the State of New York, on behalf of itself and/or the principals of M S International, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Applicant**” and the “**Sublessee**”), has applied to the Town of Islip Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 6.6 acre parcel of land located at 50 Heartland Boulevard, Brentwood, New York 11717 (the “**Land**”), the renovation of an approximately 75,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility will be subleased and leased by the Agency to a real estate holding company formed or to be formed on behalf of the Applicant (the “**Company**”), and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and, together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which Facility will be used in part by the Sublessee for its primary use as a distribution facility with warehouse and office space in its business as a wholesale distributor of flooring, counter tops, wall tile and hardscaping products. The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from sales

and use taxes and abatement of real property taxes, consistent with the policies of the Agency.

Section 4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

Section 5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at _____.

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Agency**”) on the ____ day of August 2016, at _____ .m., local time, at 40 Nassau Avenue, Islip, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of August ___, 2016.

Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016**

AGENDA ITEM # 7

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: AVCO INDUSTRIES, INC.

**PROJECT LOCATION: 50 WINDSOR PLACE, & 120
WINDSOR PLACE, CENTRAL ISLIP**

**JOBS (RETAINED/CREATED): RETAINED - 120 -
CREATE - 30 -**

INVESTMENT: \$2,200,000.00

Date: August 9, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 9th day of August, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (Avco Industries Inc. 2016 Facility) and the leasing of the facility to Avco Industries Inc.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF AVCO INDUSTRIES INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AVCO INDUSTRIES INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the "**Act**"), the Town of Islip Industrial Development Agency (the "**Agency**") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, Avco Industries Inc., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Avco Industries Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the "**Company**"), has applied to the Town of Islip Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Agency will assist in (A) the acquisition of an approximately 2.0 acre parcel of land located at 50 Windsor Place, Central Islip, New York 11722 (the "**50 Windsor Land**"), the renovation of an approximately 10,000 square foot building located thereon (the "**50 Windsor Improvements**"), and the equipping thereof, including, but not limited to the purchase of fork lifts, racks, pallet jacks and paper cup converting and printing equipment (the "**50 Windsor Equipment**"; and, together with the 50 Windsor Land and the 50 Windsor Improvements, the "**50 Windsor Facility**"), and (B) the acquisition of an approximately 30,000 square foot building located on a 1.81 acre parcel of land located at 120 Windsor Place, Central Islip, New York 11722 (the "**120 Windsor Land**" and the "**120 Windsor Improvements**"), and the equipping thereof (the "**120 Windsor Equipment**"; and, together with the 120 Windsor Land and the 120 Windsor Improvements, the "**120 Windsor Facility**"; collectively, with the 50 Windsor Facility, the "**Facility**"), which Facility is to be leased by the Agency to, and used by the Company for its primary use as a manufacturing facility in its business of manufacturing, branding and printing of paper products, including paper plates, cups and bags for the fast food industry, including the following as they relate to the appointment of the Company as agent of the Agency with respect to the acquisition, renovation and equipping of such Facility, whether or

not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, the Agency will acquire a leasehold interest in the 50 Windsor Land and the 50 Windsor Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**50 Windsor Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the 50 Windsor Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**50 Windsor Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the 50 Windsor Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**50 Windsor Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency will acquire a leasehold interest in the 120 Windsor Land and the 120 Windsor Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**120 Windsor Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the 120 Windsor Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**120 Windsor Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the 120 Windsor Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**120 Windsor Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$1,850,000 but not to exceed \$2,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii)

exemptions from sales and use taxes in an amount not to exceed \$47,438, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, (iii) abatement of real property taxes on the 50 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-1 hereof), and (iv) abatement of real property taxes on the 120 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-2 hereof); and

WHEREAS, as security for a loan or loans (as such term is defined in the Lease Agreement), the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the “**Lender**”), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, renovation and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition, renovation and equipping of the Facility and the leasing and subleasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) It is desirable and in the public interest for the Agency to sublease the 50 Windsor Land and the 50 Windsor Improvements and to lease the 50 Windsor Equipment to the Company; and

(h) The 50 Windsor Company Lease will be an effective instrument whereby the Agency leases the 50 Windsor Land and the 50 Windsor Improvements from the Company; and

(i) The 50 Windsor Lease Agreement will be an effective instrument whereby the Agency leases and subleases the 50 Windsor Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the 50 Windsor Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company; and

(j) It is desirable and in the public interest for the Agency to sublease the 120 Windsor Land and the 120 Windsor Improvements and to lease the 120 Windsor Equipment to the Company; and

(k) The 120 Windsor Company Lease will be an effective instrument whereby the Agency leases the 120 Windsor Land and the 120 Windsor Improvements from the Company; and

(l) The 120 Windsor Lease Agreement will be an effective instrument whereby the Agency leases and subleases the 120 Windsor Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the 120 Windsor Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company; and

(m) The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency and the Company agree to secure the loan made to the Company by the Lender.

Section 2. The Agency has assessed all material information included in connection with the Company's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the 50 Windsor Land and the 50 Windsor Improvements from the Company pursuant to the 50 Windsor Company Lease, (ii) execute, deliver and perform the 50 Windsor Company Lease, (iii) sublease and lease the 50 Windsor Facility to the Company pursuant to

the 50 Windsor Lease Agreement, (iv) execute, deliver and perform the 50 Windsor Lease Agreement, (v) lease the 120 Windsor Land and the 120 Windsor Improvements from the Company pursuant to the 120 Windsor Company Lease, (vi) execute, deliver and perform the 120 Windsor Company Lease, (vii) sublease and lease the 120 Windsor Facility to the Company pursuant to the 120 Windsor Lease Agreement, (viii) execute, deliver and perform the 120 Windsor Lease Agreement, (ix) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (x) execute and deliver the Loan Documents to which the Agency is a party.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the 50 Windsor Lease Agreement, the real property and personal property described in Exhibit A and Exhibit B, respectively, to the 120 Windsor Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$1,850,000 but not to exceed \$2,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$47,438, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, (iii) abatement of real property taxes on the 50 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-1 hereof), and (iv) abatement of real property taxes on the 120 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-2 hereof).

Section 7. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate and equip the Facility. The Company is hereby empowered to delegate their respective status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any

such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received exemptions from sales and use taxes in an amount not to exceed \$47,438 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 9. The form and substance of the 50 Windsor Company Lease, the 50 Windsor Lease Agreement, the 120 Windsor Company Lease, the 120 Windsor Lease Agreement and the Loan Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 10.

(a) The Chairman, Vice Chairman, Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 50 Windsor Company Lease, the 50 Windsor Lease Agreement, the 120 Windsor Company Lease, the 120 Windsor Lease Agreement and the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional

Authorized Representatives of the Agency (as defined in and pursuant to the 50 Windsor Lease Agreement and the 120 Windsor Lease Agreement).

Section 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. This resolution shall take effect immediately.

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Secretary of the Town of Islip Industrial Development Agency, DO
HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town
of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained
therein, held on the 9th day of August, 2016, with the original thereof on file in my office,
and that the same is a true and correct copy of the proceedings of the Agency and of such
resolutions set forth therein and of the whole of said original insofar as the same related to
the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in
substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was
duly given to the public and the news media in accordance with the New York Open
Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that
all members of said Agency had due notice of said meeting and that the meeting was all
respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of August,
2016.

By: _____
Assistant Secretary

EXHIBIT A-1

Proposed PILOT Benefits for 50 Windsor Facility

Formula for payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Central Islip School District, Suffolk County and Appropriate Special Districts

Definitions:

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Central Islip School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

2017/2018	100% Normal Tax Due on the taxable assessed value of \$35,500
2018/2019	100% Normal Tax Due on the taxable assessed value of \$39,050
2019/2020	100% Normal Tax Due on the taxable assessed value of \$42,600
2020/2021	100% Normal Tax Due on the taxable assessed value of \$46,150
2021/2022	100% Normal Tax Due on the taxable assessed value of \$49,700
2022/2023	100% Normal Tax Due on the taxable assessed value of \$53,250
2023/2024	100% Normal Tax Due on the taxable assessed value of \$56,800
2024/2025	100% Normal Tax Due on the taxable assessed value of \$60,350
2025/2026	100% Normal Tax Due on the taxable assessed value of \$63,900
2026/2027	100% Normal Tax Due on the taxable assessed value of \$67,450
2027/2028	100% Normal Tax Due on the full assessed value.

EXHIBIT A-2

Proposed PILOT Benefits for 120 Windsor Facility

Formula for payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Central Islip School District, Suffolk County and Appropriate Special Districts

Definitions:

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Central Islip School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

2017/2018	100% Normal Tax Due on the taxable assessed value of \$107,500
2018/2019	100% Normal Tax Due on the taxable assessed value of \$118,250
2019/2020	100% Normal Tax Due on the taxable assessed value of \$129,000
2020/2021	100% Normal Tax Due on the taxable assessed value of \$139,750
2021/2022	100% Normal Tax Due on the taxable assessed value of \$150,500
2022/2023	100% Normal Tax Due on the taxable assessed value of \$161,250
2023/2024	100% Normal Tax Due on the taxable assessed value of \$172,000
2024/2025	100% Normal Tax Due on the taxable assessed value of \$182,750
2025/2026	100% Normal Tax Due on the taxable assessed value of \$193,500
2026/2027	100% Normal Tax Due on the taxable assessed value of \$204,250
2027/2028	100% Normal Tax Due on the full assessed value.

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016**

AGENDA ITEM # 8

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: EAST/WEST INDUSTRIES, INC.

**PROJECT LOCATION: 2002 ORVILLE DRIVE NORTH,
RONKONKOMA, NEW YORK**

**JOBS (RETAINED/CREATED): RETAINED - 60 -
CREATE - 23 -**

INVESTMENT: \$2,577,749.00

Date: August 9, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 9th day of August, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (East/West Industries, Inc. 2016 Facility) and the leasing of the facility to East/West Industries, Inc.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF EAST/WEST INDUSTRIES, INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF EAST/WEST INDUSTRIES, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the "**Act**"), the Town of Islip Industrial Development Agency (the "**Agency**") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, East/West Industries, Inc., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of East/West Industries, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the "**Company**"), has applied to the Town of Islip Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Agency will assist in the acquisition of a leasehold interest of an approximately 48,233 square foot portion of an approximately 206,005 square foot building (the "**Demised Premises**") located on an approximately 15.84 acre parcel of land located at 2002 Orville Drive North, Ronkonkoma, New York 11779 (the "**Land**"), the renovation of the Demised Premises (the "**Improvements**") and the acquisition and installation therein of certain equipment and personal property (the "**Equipment**"; and, together with the Demised Premises, the Land and the Improvements, the "**Facility**"), which Facility is to be leased and sub-subleased by the Agency to the Company and used by the Company for its primary use as a manufacturing and warehouse space in its business of the design and manufacture of aerospace products, including but not limited to aircraft seating, life support equipment and ground support equipment; and, including the following as they relate to the appointment of the Company as agent of the Agency with respect to the acquisition, renovation and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and

services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, the Demised Premises and the Improvements (the “**Ground Leased Facility**”) will be leased by REP A-2027 LLC, a Delaware limited liability company (the “**Owner**”), to the Company pursuant to an Agreement of Lease, dated a date to be determined (the “**Ground Lease**”), by and between the Owner and the Company; and

WHEREAS, the Agency will acquire a subleasehold interest in the Demised Premises and the Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency will sub-sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$251,148, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the sub-subleasing and leasing of the Facility by the Agency to the Company.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition, renovation and equipping of the Facility and the leasing and sub-subleasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) It is desirable and in the public interest for the Agency to sub-sublease the Demised Premises and the Improvements and to lease the Equipment to the Company; and

(h) The Company Lease will be an effective instrument whereby the Agency subleases the Demised Premises and the Improvements from the Company; and

(i) The Lease Agreement will be an effective instrument whereby the Agency leases and sub-subleases the Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company.

Section 2. The Agency has assessed all material information included in connection with the Company’s application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) sublease the Demised Premises and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sub-sublease and

lease the Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$251,148, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate and equip the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received exemptions from sales and use taxes in an amount not to exceed \$251,148 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 9. The form and substance of the Company Lease and the Lease Agreement (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 10.

(a) The Chairman, Vice Chairman, Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease and the Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. This resolution shall take effect immediately.

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Secretary of the Town of Islip Industrial Development Agency, DO
HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town
of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained
therein, held on the 9th day of August, 2016, with the original thereof on file in my office,
and that the same is a true and correct copy of the proceedings of the Agency and of such
resolutions set forth therein and of the whole of said original insofar as the same related to
the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in
substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was
duly given to the public and the news media in accordance with the New York Open
Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that
all members of said Agency had due notice of said meeting and that the meeting was all
respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of August,
2016.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula for payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Connetquot School District, Suffolk County and Appropriate Special Districts

Address: 2002 North Orville Drive, Ronkonkoma, New York*

Definitions:

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Connetquot School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

2017/2018	100% Normal Tax Due on the taxable assessed value of \$221,825.00
2018/2019	100% Normal Tax Due on the taxable assessed value of \$244,007.50
2019/2020	100% Normal Tax Due on the taxable assessed value of \$266,190.00
2020/2021	100% Normal Tax Due on the taxable assessed value of \$288,372.50
2021/2022	100% Normal Tax Due on the taxable assessed value of \$310,555.00
2022/2023	100% Normal Tax Due on the taxable assessed value of \$332,737.50
2023/2024	100% Normal Tax Due on the taxable assessed value of \$359,920.00
2024/2025	100% Normal Tax Due on the taxable assessed value of \$377,102.50
2025/2026	100% Normal Tax Due on the taxable assessed value of \$399,285.00
2026/2027	100% Normal Tax Due on the taxable assessed value of \$421,467.50
2027/2028	100% Normal Tax Due on the full assessed value.

* The PILOT Payments apply to 23.35% of the occupied space of the above referenced property, to be more particularly described by an item number assigned by the Town of Islip.

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR AUGUST 9, 2016**

AGENDA ITEM # 9

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: B & S FRAGRANCES & COSMETICS, INC.

**PROJECT LOCATION: 25 RANICK ROAD, HAUPPAUGE,
NEW YORK**

**JOBS (RETAINED/CREATED): RETAINED - 17 -
CREATE - 12 -**

INVESTMENT: \$6,726,000.00

Date: August 9, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 9th day of August, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (B & S Management Consultant LLC/B & S Fragrances & Cosmetics, Inc. 2016 Facility) and the leasing of the facility to B & S Management Consultant LLC for further subleasing to B & S Fragrances & Cosmetics, Inc.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF B & S MANAGEMENT CONSULTANT LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF B & S MANAGEMENT CONSULTANT LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, B & S FRAGRANCES & COSMETICS, INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF B & S FRAGRANCES & COSMETICS, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the "**Act**"), the Town of Islip Industrial Development Agency (the "**Agency**") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, B & S Management Consultant LLC, a limited liability company, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of B & S Management Consultant LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the "**Company**") and B & S Fragrances & Cosmetics, Inc., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of B & S Fragrances & Cosmetics, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the "**Sublessee**"), have applied to the Town of Islip Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 2.81 acre parcel of land located at 25 Ranick Road, Hauppauge, New York 11788 (the "**Land**"), the renovation of an approximately 52,200 square foot building located thereon (the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the "**Facility Equipment**"; and, together with the Land and the Improvements, the "**Company Facility**"), which Company Facility will be subleased and leased by the Agency to the Company, and further subleased by the

Company to the Sublessee and Louis J. Solomon, Inc., a business corporation organized and existing under the laws of the State of New York (the "**Tenant**"), and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**"; and, together with the Company Facility, the "**Facility**"), which Equipment is to be leased by the Agency to the Sublessee and which Facility will be used in part by the Sublessee for its primary use as a distribution facility in its business as an importer and exporter of perfume and cosmetics and in part by the Tenant as manufacturing, assembly, showroom and corporate office space in its business as a manufacturer and distributor of fine home furnishings, including the following as they relate to the appointment of the Company and the Sublessee as agents of the Agency with respect to the acquisition, renovation and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Facility Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the "**Bill of Sale**"), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Equipment Bill of Sale, dated the Closing Date (the "**Equipment Bill of Sale**"), from the Sublessee to the Agency; and

WHEREAS, the Agency will lease the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of August 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the "**Equipment Lease Agreement**"), by and between the Agency and the Sublessee; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount

presently estimated to be \$4,900,000 but not to exceed \$5,500,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$62,307, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of August 1, 2016 or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Agency Compliance Agreement**”), whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, the Tenant and the Agency will enter into a certain Tenant Agency Compliance Agreement, dated as of August 1, 2016 or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Tenant Agency Compliance Agreement**”), whereby the Tenant will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, as security for a loan or loans (as such term is defined in the Lease Agreement), the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the “**Lender**”), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, renovation and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and the further subleasing of the Facility by the Company to the Sublessee.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

- (c) The acquisition, renovation and equipping of the Facility and the leasing and subleasing of the Facility to the Company and Sublessee will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and
- (d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company and the Sublessee to maintain and expand their respective business operations in the State of New York; and
- (e) Based upon representations of the Company and the Sublessee and counsel to the Company and the Sublessee, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and
- (f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and
- (g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Facility Equipment to the Company; and
- (h) It is desirable and in the public interest for the Agency to lease the Equipment to the Sublessee; and
- (i) The Company Lease will be an effective instrument whereby the Agency leases the Land and the Improvements from the Company; and
- (j) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the Company Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company; and
- (k) The Equipment Lease Agreement will be an effective instrument whereby the Agency leases the Equipment to the Sublessee; and
- (l) The Agency Compliance Agreement will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and
- (m) The Tenant Agency Compliance Agreement will be an effective instrument whereby the Tenant will provide certain assurances to the Agency with respect to the Facility; and
- (n) The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency and the Company agree to secure the loan made to the Company by the Lender.

Section 2. The Agency has assessed all material information included in connection with the Company's and Sublessee's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company and the Sublessee.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vi) execute, deliver and perform the Equipment Lease Agreement, (vii) execute and deliver the Agency Compliance Agreement, (viii) execute and deliver the Tenant Agency Compliance Agreement, (ix) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (x) execute and deliver the Loan Documents to which the Agency is a party.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, the personal property described in Exhibit A to the Equipment Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$4,900,000 but not to exceed \$5,500,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$62,307, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company and the Sublessee are herewith and hereby appointed the agents of the Agency to acquire, renovate

and equip the Facility. The Company and the Sublessee are hereby empowered to delegate their respective status as agent of the Agency to their respective agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessee may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company and the Sublessee, as agents of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company and the Sublessee of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company and the Sublessee shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company and the Sublessee, as agent of the Agency. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company and the Sublessee have received exemptions from sales and use taxes in an amount not to exceed \$62,307 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company and/or the Sublessee if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessee is subject to the execution of the documents contemplated by this resolution.

Section 8. The Company and the Sublessee hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 9. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease Agreement, the Agency Compliance Agreement, the Tenant Agency Compliance Agreement and the Loan Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 10.

(a) The Chairman, Vice Chairman, Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement, the Equipment Lease Agreement, the Agency Compliance Agreement, the Tenant Agency Compliance Agreement and the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman,

Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. This resolution shall take effect immediately.

STATE OF NEW YORK)
 : SS.:
COUNTY OF SUFFOLK)

I, the undersigned Secretary of the Town of Islip Industrial Development Agency, DO
HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town
of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained
therein, held on the 9th day of August, 2016, with the original thereof on file in my office,
and that the same is a true and correct copy of the proceedings of the Agency and of such
resolutions set forth therein and of the whole of said original insofar as the same related to
the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in
substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was
duly given to the public and the news media in accordance with the New York Open
Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that
all members of said Agency had due notice of said meeting and that the meeting was all
respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of August,
2016.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula for payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Hauppauge School District, Suffolk County and Appropriate Special Districts

Definitions:

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Hauppauge School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company and the Sublessee would pay without exemption.

2017/2018	100% Normal Tax Due on the taxable assessed value of \$207,200
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2020/2021	100% Normal Tax Due on the taxable assessed value of \$269,360
2021/2022	100% Normal Tax Due on the taxable assessed value of \$290,080
2022/2023	100% Normal Tax Due on the taxable assessed value of \$310,800
2023/2024	100% Normal Tax Due on the taxable assessed value of \$331,520
2024/2025	100% Normal Tax Due on the taxable assessed value of \$352,240
2025/2026	100% Normal Tax Due on the taxable assessed value of \$372,960
2026/2027	100% Normal Tax Due on the taxable assessed value of \$393,680
2027/2028	100% Normal Tax Due on the full assessed value.