



**MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY**

October 18, 2022

Meeting Minutes

1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by Mary Kate Mullen and seconded by Jorge Guadron. Chairwoman Angie Carpenter acknowledged that the motion passed and that a quorum was present. Members present in addition to the Chairwoman were John Cochrane, Mary Kate Mullen and Jorge Guadron. Member James O'Connor was absent.
2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **Minutes** from the meeting on **September 13, 2022**. On a motion by Mary Kate Mullen and seconded by Jorge Guadron said the motion was approved 4-0.
3. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Agency to approve the 2023 IDA budget. On a motion by Mary Kate Mullen and seconded by Jorge Guadron said motion was approved 4-0.
4. To consider the adoption of an Resolution between the Town of Islip Industrial Development Agency and **Briad Lodging Group** Central Islip, LLC to approve refinancing located at 7 Courthouse Drive, Central Islip NY. On a motion by John Cochrane and seconded by Jorge Guadron said motion was approved 4-0.
5. To consider the adoption of a Resolution between the Town of Islip Industrial Development Agency and **Briad Lodging Group CI 2**. LLC, to approve refinancing located at 11 Courthouse Drive, Central Islip NY. On motion by Jorge Guadron and seconded by John Cochrane said motion was approve 4-0.
6. To consider the adoption of a Resolution between the Town of Islip Industrial Development Agency and **Reality Management-Jetson, LLC/Universal Photonics, INC.** to approve refinancing located at 85 Jetson Lane, Central Islip NY. On motion by John Cochrane and seconded by Mary Kate Mullen said motion was approved 4-0.
7. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Vets Holbrook, LLC** located at 396 High Street Holbrook, NY. On motion by Jorge Guadron and seconded by Mary Kate Mullen said motion was approved 4-0.

8. To consider any other business to come before the Agency, there being none the meeting adjourned by motion by members John Cochrane, and seconded by Jorge Guadron.



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8. To consider any other business to come before the Agency, there being none the meeting adjourned by motion by members John Cochrane, and seconded by Jorge Guadron.

Date: October 18, 2022

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 18th day of October, 2022, the following members of the Agency were:

Present: Chairwoman Angie Carpenter, members John Cochrane, Mary Kate Mullen, and Jorge Guadron.

Absent: Member James O’Connor

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 (Briad Lodging Group Central Islip, LLC 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

Angie Carpenter

John Cochrane

Mary Kate Mullen

Jorge Guadron

And, therefore the resolution was declared duly adopted.

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 BRIAD LODGING GROUP CENTRAL ISLIP, LLC 2012 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, 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**”), the Town of Islip Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously assisted Briad Lodging Group Central Islip, LLC, a limited liability company, organized and existing under the laws of the State of Nevada and authorized to transact business in the State of New York (the “**Company**”), in connection with an industrial development facility consisting of the acquisition of an approximately 3.46 acre parcel of land located 7 Court House Drive, Central Islip, New York 11722 (also known as Residence Inn Long Island/Courthouse Complex) (the “**Land**”) and the construction and equipping of an approximately 95,205 square foot 4-story, 125 room, all-suite extended stay hotel to be located thereon, including, but not limited to, a fitness center, conference rooms, a business center, a pool and additional parking spaces, together with the acquisition and installation of furniture, fixtures and equipment (the “**Improvements**” and “**Equipment**”; and, together with the Land, the “**Facility**”), leased by the Agency to the Company to provide a full range of services to the business and leisure traveler visiting the Town of Islip (the “**Project**”); and

WHEREAS, the Company leased the Land and Improvements to the Agency pursuant to a certain Company Lease Agreement, dated as of June 1, 2012 (the “**Original Company Lease**”), a memorandum of which Original Company Lease was to be recorded in the Suffolk County Clerk’s Office; and

WHEREAS, the Agency is leasing the Land and the Improvements to the Company pursuant to a certain Lease Agreement, dated as of June 1, 2012 (the “**Original Lease Agreement**”), a memorandum of which Original Lease Agreement was to be recorded in the Suffolk County Clerk’s Office; and

WHEREAS, in connection with the leasing of the Facility, the Agency and the Company entered into a Payment-in-Lieu-of-Tax Agreement, dated as of June 1, 2012 (the “**Original PILOT Agreement**”), which provided for the Company to make payments in lieu of real property taxes on the Facility; and

WHEREAS, the Agency and the Company previously entered into a certain Environmental Compliance and Indemnification Agreement dated as of June 1, 2012 (the “**Original Environmental Compliance Agreement**”); and

WHEREAS, as security for certain loans and financing, the Agency and the Company executed and delivered to Wells Fargo Bank, N.A. (the “**Original Lender**”), (i) a Project Loan Fee, Leasehold and Subleasehold Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “**Project Loan Mortgage**”), in the amount of \$3,026,693 which Project Loan Mortgage was to be recorded in the Suffolk County Clerk’s office, and (ii) a Building Loan Fee, Leasehold and Subleasehold Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “**Building Loan Mortgage**”; and, together with the Project Loan Mortgage, the “**Original Mortgages**”), in the amount of \$9,673,307, which Building Loan Mortgage was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency previously consented to a financing pursuant to (i) a certain Consolidation, Extension and Modification Agreement, dated June 22, 2017 (the “**CEMA**”), from the Company and the Agency to Peapack Gladstone Bank (the “**2017 Lender**”), in the amount of \$3,504,813, which CEMA was intended to be recorded in the Suffolk County Clerk’s Office, and (ii) a certain Fee, Leasehold and Subleasehold Mortgage, Assignment of Leases and Rents, and Security Agreement and Fixture Filing (Gap-Second), dated June 22, 2017 (the “**Gap Second Mortgage**”; and, together with the CEMA, the “**2017 Mortgages**”), in the amount of \$2,304,540.78 which Gap Second Mortgage was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Company previously requested the Agency’s assistance in connection with the modification and extension of the abatement of real property taxes on the Facility for a term of up to four (4) additional years (the “**First PILOT Extension**”); and

WHEREAS, in connection with the First PILOT Extension, the Agency and the Company amended and restated the Original Lease Agreement, the Original PILOT Agreement, and the Original Environmental Compliance Agreement pursuant to a certain Amended and Restated Lease and Project Agreement dated as of May 1, 2019 (the “**Amended and Restated Lease Agreement**”), which Amended and Restated Lease Agreement provided for an extension of the term of the lease of four (4) additional years and the recapture of certain economic benefits; and

WHEREAS, in connection with the First PILOT Extension, the Agency and the Company entered into an Amended and Restated Company Lease Agreement dated as of May 1, 2019 (the “**First Amended Company Lease**”), whereby the term of the Company Lease was extended four (4) additional years; and

WHEREAS, the Company previously requested the Agency’s assistance in connection with the modification and extension of the abatement of real property taxes on the Facility for a term of up to two (2) additional years (the “**Second PILOT Extension**”); and

WHEREAS, due to the COVID-19 Pandemic and the lack of business and leisure travelers visiting the Town of Islip, the Company was operating at minimum projected cash flows; and

WHEREAS, the Company has provided assurances of its long-term commitment to the Town of Islip; and

WHEREAS, in connection with the Second PILOT Extension, the Agency and the Company amended the Amended and Restated Lease Agreement pursuant to a certain Amendment Agreement, dated as of May 4, 2022 (the “**Amendment Agreement**”; and, together with the Amended and Restated Lease Agreement, the “**Lease Agreement**”), whereby the term of the Lease Agreement was amended and extended up to two (2) additional years; and

WHEREAS, in connection with the Second PILOT Extension, the Agency and the Company amended the Original Company Lease, as amended by the First Amended Company Lease, pursuant to the Amendment Agreement (the Amendment Agreement, together with the Original Company Lease and the First Amended Company Lease, the “**Company Lease**”), whereby the term of the Company Lease was amended and extended up to two (2) additional years; and

WHEREAS, the Company represents to the Agency that it intends to reduce its debt service coverage ratios and provide liquidity for upcoming Marriott mandated required renovations and has requested the Agency’s consent to enter into a refinancing with First Commercial Bank, Ltd., New York Branch (the “**2022 Lender**”) with respect to the Facility, in order to secure one or more mortgages in the aggregate principal amount of approximately \$22,000,000, but not to exceed \$24,000,000 (the “**2022 Loan**”); and

WHEREAS, the proceeds of the 2022 Loan will be used to satisfy the Original Mortgages and the 2017 Mortgages; and

WHEREAS, as security for such 2022 Loan being made to the Company by the 2022 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2022 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 2022 Lender (the “**2022 Loan Documents**”); 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;

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

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.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.
- (c) The financing or refinancing of the acquisition, renovation and equipping of the Facility 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.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) Based upon representations of the Company and counsel to the Company, 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.
- (f) It is desirable and in the public interest for the Agency to assist in the refinancing of the acquisition, renovation and equipping of the Facility.
- (g) The 2022 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2022 Loan and assign to the 2022 Lender their respective rights under the Lease Agreement (except the Agency’s Unassigned Rights as defined therein).

Section 2.

(a) While the Facility is used in making retail sales to customers who will visit the Facility and would be considered a “retail facility”, based upon the representations and warranties of the Company in the request for financial assistance, the Facility is located in a “highly distressed area” as described in Section 862(2)(b) of the Act and therefore the Facility is not subject to the prohibitions on providing financial assistance to retail facilities.

(b) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip

Section 3. 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 2022 Lender (the “**2022 Mortgage**”), (ii) execute, deliver and perform the 2022 Mortgage, and (iii) execute, deliver and perform the 2022 Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the 2022 Loan or any subsequent refinancing of the 2022 Mortgage.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2022 Loan Documents and the 2022 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2022 Loan, or any subsequent refinancing of the 2022 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver any future documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without need for any further or future approvals of the Agency.

Section 5.

(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 2022 Mortgage and 2022 Loan Documents, 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 6. 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 7. 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 8. This resolution shall take effect immediately.

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

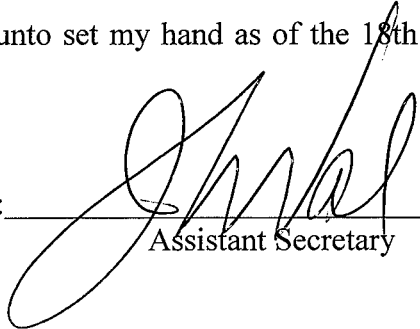
I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

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 October 18, 2022, 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 18th day of October, 2022.

By:  _____
Assistant Secretary

Date: October 18, 2022

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 18th day of October, 2022, the following members of the Agency were:

Present: Chairwoman Angie Carpenter, members John Cochrane, Mary Kate Mullin, and Jorge Guadron

Absent: Member James O’Connor

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 (Briad Lodging Group CI 2, LLC 2015 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

Angie Carpenter
John Cochrane
Mary Kate Mullen
Jorge Guadron

Voting Nay

And, therefore, the resolution was declared duly adopted

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 BRIAD LODGING GROUP CI 2, LLC 2015 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, 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**”), the Town of Islip Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously assisted Briad Lodging Group CI 2, LLC, a limited liability company duly organized and validly existing under the laws of the State of Nevada and authorized to transact business in the State of New York (the “**Company**”), in the acquisition of an approximately 3.15 acre parcel of land located at 11 Courthouse Drive, Central Islip, New York (more specifically identified as tax map number 0500-207.00-01.00-003.058) (the “**Land**”) and the construction and equipping of an approximately 70,000 square foot 4-story, 125 room select-service hotel to be located thereon, including, but not limited to, an indoor pool, exercise room, conference room, business library, wired and wireless internet, a cafe bistro and additional parking spaces, together with the acquisition and installation of furniture, fixtures and equipment (the “**Improvements**” and “**Equipment**”; and, together with the Land, the “**Facility**”), all leased by the Agency to the Company to provide a full range of services to the business and leisure traveler visiting the Town of Islip (the “**Project**”); and

WHEREAS, the Company leased the Land and the Improvements to the Agency pursuant to a certain Company Lease, dated as of October 1, 2015 (the “**Original Company Lease**”) by and between the Company and the Agency, and a Memorandum of Company Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease Agreement, dated as of October 1, 2015 (the “**Original Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee, and a Memorandum of Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, in connection with the leasing of the Facility, the Agency and the Company entered into a Payment-in-Lieu-of-Tax Agreement, dated as of October 1, 2015 (the “**Original PILOT Agreement**”), which provided for the Company to make payments in lieu of real property taxes on the Facility; and

WHEREAS, the Agency and the Company entered into a Recapture Agreement, dated as of October 1, 2015 (the “**Original Recapture Agreement**”), pursuant to which the Agency has the right to recapture certain economic benefits and assistance granted to the Company upon the terms and conditions set forth in the therein; and

WHEREAS, the Agency and the Company previously entered into a certain Environmental Compliance and Indemnification Agreement dated as of October 1, 2015 (the “**Original Environmental Compliance Agreement**”); and

WHEREAS, as security for certain loans and financing, the Agency and the Company executed and delivered to Manufacturers and Traders Trust Company (the “**Original Lender**”), (i) a Land Loan Mortgage, dated October 27, 2015 (the “**Land Loan Mortgage**”), in the amount of \$1,780,000.00, which Land Loan Mortgage was to be recorded in the Suffolk County Clerk’s office, (ii) a Building Loan Mortgage, dated October 27, 2015 (the “**Building Loan Mortgage**”), in the amount of \$8,280,000.00, which Building Loan Mortgage was to be recorded in the Suffolk County Clerk’s office, and (iii) a Project Loan Mortgage, dated October 27, 2015 (the “**Project Loan Mortgage**”), in the amount of \$3,940,000.00, which Project Loan Mortgage was to be recorded in the Suffolk County Clerk’s office (the Project Loan Mortgage together with the Land Loan Mortgage and the Building Loan Mortgage, collectively, the “**Original Mortgages**”); and

WHEREAS, further the Agency and the Company mortgaged their respective rights in the Facility to the Original Lender, pursuant to a Building Loan Mortgage (Supplemental), dated as of December 1, 2015 (the “**Supplemental Building Loan Mortgage**”), in the amount of \$2,480,000 which Supplemental Building Loan Mortgage was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, further the Agency and the Company mortgaged their respective rights in the Facility to the Original Lender, pursuant to a Mortgage, Consolidation, Extension and Modification Agreement, dated as of December 1, 2015 (the “**Mortgage, Consolidation, Extension and Modification Agreement**”); and, together with the Supplemental Building Loan Mortgage and the Original Mortgages, the “**2015 Mortgages**”), securing the principal amount of \$10,760,000, which Mortgage, Consolidation, Extension and Modification Agreement was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, on April 16, 2019, the Agency consented to a request from the Company for a financing with the Original Lender with respect to the Facility pursuant to a Second Mortgage, dated April 18, 2019 (the “**Second Mortgage**”; and, together with the 2015 Mortgages, the “**Prior Mortgages**”), from the Company and the Agency to the Original Lender, securing the principal amount of \$3,144,315.27, which Second Mortgage was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Company previously requested that the Agency consent to enter into a refinancing with Bank Hapoalim B.M. (the “**2020 Lender**”), pursuant to (i) a certain Mortgage Consolidation Extension and Modification Agreement, dated January 22, 2020 (the “**Consolidated Mortgage Agreement**”), from the Company and the Agency to the 2020 Lender, securing the principal amount of \$19,400,000, which Consolidated Mortgage Agreement was to be recorded in the Suffolk County Clerk’s office, and (ii) a certain Gap Mortgage, dated January 22, 2020 (the “**GAP Mortgage**”; and, together with the Consolidated Mortgage Agreement, the “**2020 Mortgage**”), from the Company and the Agency to the 2020 Lender, securing the principal amount of \$283,935.07 (collectively, the “**2020 Loan**”), which GAP Mortgage was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the proceeds of the 2020 Loan were used to satisfy the Prior Mortgages; and

WHEREAS, the Company previously requested the Agency's assistance in connection with the modification and extension of the abatement of real property taxes on the Facility for a term of up to two (2) additional years (the "**PILOT Extension**"); and

WHEREAS, due to the COVID-19 Pandemic and the lack of business and leisure travelers visiting the Town of Islip, the Company was operating at minimum projected cash flows; and

WHEREAS, the Company provided assurances of its long-term commitment to the Town of Islip; and

WHEREAS, in connection with the PILOT Extension, the Agency and the Company amended and restated the Original Lease Agreement, the Original PILOT Agreement, and the Original Environmental Compliance Agreement pursuant to a certain Amended and Restated Lease and Project Agreement dated as of May 1, 2022 (the "**Lease Agreement**"), which Lease Agreement extended the term of such lease up to two (2) additional years, and also provides for the recapture of certain economic benefits; and

WHEREAS, the Agency and the Company entered into an Amendment of Company Lease dated as of May 1, 2022 (the "**Amendment of Company Lease**"), and together with the Original Company Lease, the "**Company Lease**"), whereby the term of the Company Lease was amended and extended up to two (2) additional years; and

WHEREAS, the Company represents to the Agency that it intends to reduce its debt service coverage ratios and provide liquidity for upcoming Marriott mandated required renovations and has requested the Agency's consent to enter into a refinancing with First Commercial Bank, Ltd., New York Branch (the "**2022 Lender**") with respect to the Facility, in order to secure one or more mortgages in the aggregate principal amount of approximately \$24,000,000, but not to exceed \$26,000,000 (the "**2022 Loan**"); and

WHEREAS, the proceeds of the 2022 Loan will be used to satisfy the 2020 Loan secured by the 2020 Mortgage; and

WHEREAS, as security for such 2022 Loan being made to the Company by the 2022 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2022 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 2022 Lender (the "**2022 Loan Documents**"); 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;

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions

contemplated by the financing or refinancing of the Facility and the continued leasing and subleasing of the Facility.

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.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.
- (c) The financing or refinancing of the acquisition, renovation and equipping of the Facility 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.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) Based upon representations of the Company and counsel to the Company, 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.
- (f) It is desirable and in the public interest for the Agency to assist in the refinancing of the acquisition, renovation and equipping of the Facility.
- (g) The 2022 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2022 Loan and assign to the 2022 Lender their respective rights under the Lease Agreement (except the Agency’s Unassigned Rights as defined therein).

Section 2.

(a) While the Facility is used in making retail sales to customers who will visit the Facility and would be considered a “retail facility”, based upon the representations and warranties of the Company in the request for financial assistance, the Facility is located in a “highly distressed area” as described in Section 862(2)(b) of the Act and therefore the Facility is not subject to the prohibitions on providing financial assistance to retail facilities.

(b) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip

Section 3. 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 2022 Lender (the “**2022 Mortgage**”), (ii) execute, deliver and perform the 2022 Mortgage, and (iii) execute, deliver and perform the 2022 Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the 2022 Loan or any subsequent refinancing of the 2022 Mortgage.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2022 Loan Documents and the 2022 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2022 Loan, or any subsequent refinancing of the 2022 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver any future documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without need for any further or future approvals of the Agency.

Section 5.

(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 2022 Mortgage and 2022 Loan Documents, 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 6. 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 7. 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 8. 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:

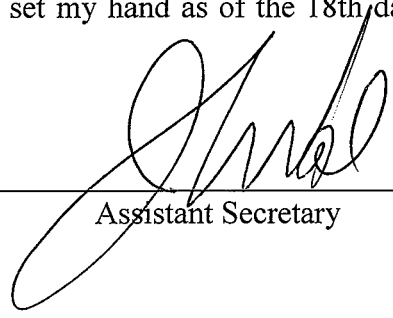
That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on October 18, 2022, with the original thereof on file in my office, and that the same is a true and correct copy 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 18th day of October, 2022.

By: _____


Assistant Secretary

Date: October 18, 2022

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held at 40 Nassau Avenue, Islip, New York, on the 18th day of October, 2022, the following members of the Agency were:

Present: Chairwoman Angie Carpenter, members John Cochrane, Mary Kate Mullen,
And Jorge Guadron

Absent: Member James O’Connor

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 (Facilities Realty Management-Jetson, LLC/Universal Photonics, Inc. 2014 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

Angie Carpenter
John Cochrane
Mary Kate Mullen
Jorge Guadron

And, therefore, the resolution was declared duly adopted.

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING MORTGAGE FINANCING AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN CONNECTION THEREWITH FOR FACILITIES REALTY MANAGEMENT-JETSON, LLC/UNIVERSAL PHOTONICS, INC. 2014 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, 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**”), the Town of Islip Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously provided assistance to Facilities Realty Management-Jetson, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the “**Company**”), and Universal Photonics, Inc., a business corporation duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York (the “**Sublessee**”), in (a) the acquisition of an approximately 3.41 acre parcel of land located at 85 Jetson Lane, Central Islip, New York 11722 (the “**Land**”), and the renovation of an approximately 55,100 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 below) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), all being leased and subleased by the Agency to the Company and sub-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 international headquarters, warehouse operations and the distribution of polishing products (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”); and

WHEREAS, the Company is leasing the Land and the Improvements to the Agency pursuant to a certain Company Lease Agreement, dated as of July 1, 2014 (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease Agreement, dated as of July 1, 2014 (the “**Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee; and

WHEREAS, the Company is subleasing the Facility to the Sublessee pursuant to a Sublease Agreement, dated July 30, 2014 (the “**Sublease Agreement**”), by and between the Company, as sublessor and the Sublessee, as sublessee; and

WHEREAS, as security for the Loan (as such term is defined in the Lease Agreement), the Agency and the Company executed and delivered to TD Bank, N.A. (the

“**Original Lender**”), a Fee and Leasehold Mortgage and Security Agreement, dated July 30, 2014 (the “**Original Mortgage**”), securing the principal amount of \$2,680,000, from the Company and the Agency to the Lender; and

WHEREAS, the Agency and the Company previously entered into a refinancing with the Lender with respect to the Facility in the aggregate principal amount of \$4,000,000 (the “**2016 Loan**”); and

WHEREAS, the Company has now requested the Agency’s consent to enter into a further refinancing with People’s United, a Division of M&T Bank (the “**2022 Lender**”) with respect to the Facility, in order to secure one or more mortgages in the aggregate principal amount of \$9,600,000, but not to exceed 10,000,000 (the “**2022 Loan**”); and

WHEREAS, the proceeds of the 2022 Loan will be used in part to satisfy the Loan secured by the Original Mortgage and the 2016 Loan; and

WHEREAS, as security for such 2022 Loan being made to the Company by the 2022 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2022 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 Lender (the “**2022 Loan Documents**”); and

WHEREAS, no mortgage recording tax exemption is being authorized in connection with the 2022 Loan; 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;

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

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.
- (b) The Facility continues to constitute a “project” as such term is defined in the Act.
- (c) The financing or refinancing of the acquisition, renovation and equipping of the Facility 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.

- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) Based upon representations of the Company and counsel to the Company, 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.
- (f) It is desirable and in the public interest for the Agency to assist in the refinancing of the acquisition, renovation and equipping of the Facility.
- (g) The 2022 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2022 Loan and assign to the 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 Lender (the "**2022 Mortgage**"), (ii) execute, deliver and perform the 2022 Mortgage, and (iii) execute, deliver and perform the 2022 Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the 2022 Loan or any subsequent refinancing of the 2022 Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2022 Loan Documents and the 2022 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2022 Loan, or any subsequent refinancing of the 2022 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver any future documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without need for any further or future approvals of the Agency.

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 2022 Mortgage and 2022 Loan Documents, 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 8. 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 9. This resolution shall take effect immediately.

ADOPTED: October 18, 2022

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 October 18, 2022, 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 18th day of October, 2022.



Assistant Secretary

Date: October 18, 2022

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at 40 Nassau Avenue, Islip, New York 11751 on the 18th day of October, 2022 the following members of the Agency were:

Present Chairwoman Angie Carpenter, members John Cochrane, Mary Kate Mullen, and Jorge Guadron

Absent: Member James O’Connor

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 acquisition of a leasehold and sublease hold interest in a certain industrial development facility more particularly described below (Vets Holbrook, LLC 2022 Facility) and the leasing of the facility to Vets Holbrook, LLC for subleasing by Vets Holbrook, LLC to future tenants.

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

<u>Voting Aye</u>	<u>Voting Nay</u>	<u>Abstain</u>
Angie Carpenter John Cochrane Mary Kate Mullen Jorge Guadron		

And, therefore, the resolution was declared duly adopted.

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, DEMOLITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT VETS HOLBROOK, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF VETS HOLBROOK, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, DEMOLISHING, CONSTRUCTING 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, Vets Holbrook, LLC, a Delaware limited liability company, on behalf of itself and/or the principals of Vets Holbrook, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 (i) an approximately .23 acre parcel of land located at 396 High Street, Holbrook, New York (the “**High Street Land**”) and (ii) an approximately 7.97 acre (total) parcel of land, which is currently comprised of six (6) individual lots, unaddressed and located at the northeast corner of Veterans Memorial Highway and Grundy Avenue, Holbrook, New York (the “**Grundy Avenue Land**”; and, together with the High Street Land, the “**Land**”), whereby the combined acreage of the Land is approximately 8.2 acres, the demolition of an existing approximately 1,961 square foot (footprint) building located on the High Street Land, and the construction and equipping of an approximately 108,025 square foot building to be located on the Land (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and subleased by the Company to various tenants (the “**Tenants**”), for use as an industrial warehouse space (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on September 13, 2022 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and a fee interest in the Improvements pursuant to a certain Company Lease Agreement, dated as of October 1, 2022, 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 sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of October 1, 2022 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, 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, demolition, construction, and equipping of the Facility (collectively, the “**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: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$19,468,000 but not to exceed \$21,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$146,010 but not to exceed \$157,500, in connection with the financing of the acquisition, demolition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, demolishing, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$603,750 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), all consistent with the policies of the Agency; 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 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 Facility preserves the public purposes of the Act by preserving or increasing the number of permanent private sector jobs in the Town of Islip. The Company has represented to the Agency that it intends to provide thirty (30) full time employees within the second year after completion of the Facility; and

(d) The acquisition, demolition, construction and equipping of the Facility, the subleasing and leasing of the Facility to the Company 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.

(e) The acquisition, demolition, construction and equipping of the Facility by the Agency is reasonably necessary to induce the Company to maintain and expand its business operations in the Town of Islip.

(f) 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 and all regional and local land use plans for the area in which the Facility is located.

(g) It is desirable and in the public interest for the Agency to sublease and lease the Facility to the Company; and

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

(i) The Lease Agreement will be an effective instrument whereby the Agency subleases and leases 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 Agency may recapture some or all of the benefits granted to the Company; and

(j) 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 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 Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (vi) 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, 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 execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, demolishing, constructing and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, demolishing, constructing 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, demolition, construction 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 \$19,468,000 but not to exceed \$21,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$146,010 but not to exceed \$157,500, in connection with the financing of the acquisition, demolition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, demolishing, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$603,750, 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), all 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, demolish, construct 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, demolish, construct 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, demolish, construct 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 \$603,750, 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 is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company, as agent of the Agency pursuant to this Authorizing Resolution, are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

Section 9. The form and substance of the Company Lease, the 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, Deputy 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 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, Deputy 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, Deputy 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 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 October 18, 2022, 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 18th day of October, 2022.


Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula for In-Lieu-of-Taxes Payment: The 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), Sachem Central School District, Suffolk County and Appropriate Special Districts.

396 High Street, Holbrook, New York and six (6) individual lots, unaddressed and located at the northeast corner of Veterans Memorial Highway and Grundy Avenue, Holbrook, New York

Tax Map Nos.

District 500

Section 194.00

Block 02.00

Lots: 22, 24.2, 25.3, 26.2, 27.1, 73.3, 73.4

Definitions

X = the actual assessed value of the consolidate parcels

Y = increase in assessment above X resulting from the acquisition, demolition, construction and equipping of the Facility.

Year

1	100% normal tax on X and 0% normal tax on Y
2	100% normal tax on X and 10% normal tax on Y
3	100% normal tax on X and 20% normal tax on Y
4	100% normal tax on X and 30% normal tax on Y
5	100% normal tax on X and 40% normal tax on Y
6	100% normal tax on X and 50% normal tax on Y
7	100% normal tax on X and 60% normal tax on Y
8	100% normal tax on X and 70% normal tax on Y
9	100% normal tax on X and 80% normal tax on Y
10	100% normal tax on X and 90% normal tax on Y
11 and thereafter	100% normal tax on X and 100% normal tax on Y

Company to pay X during construction period. PILOT to commence the tax year following receipt by the Company of a Certificate of Occupancy.