MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
January 29, 2015

Agenda

1. Call the meeting of the Town of Islip Industrial Development Agency to order.

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 January 13, 2015.

3. To consider the adoption of an Inducement/Authorizing Resolution between the Town of Islip Industrial Development Agency and C. Vignola Realty, LLC./Century Direct, LLC., located at 15 Enter Lane, Islandia.

4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and SilverBack Realty, LLC/MultiDyne Electronics, Inc. located at 35 Hoffman Avenue, Hauppauge.

5. To consider any other business that may come before the Agency.
MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
January 13, 2015
Meeting Minutes

1. The Meeting of the Town of Islip Industrial Development Agency was called to order on a motion by Councilman Plotteron and seconded by Councilman Cochrane. All members were present, said motion was approved unanimously.

Motions were presented to approve and adopt the following resolution on the January 13, 2015 IDA Agenda. The resolutions were as follows:

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 of the Members of the Town of Islip Industrial Development Agency on December 16, 2014. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman Anthony Senft, said resolution was approved unanimously.

3. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and Ruby Has, LLC located at 5 Inez Drive, Bay Shore, New York. On a motion by Councilman Plotteron and seconded by Councilman Cochrane, said resolution was approved unanimously.

4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and 60 Hoffman, LLC/United Lighting Electrical Corp./Playaction, LLC 2013 Facility, located at 60 Hoffman Avenue, Hauppauge, New York. On a motion by Councilman Senft and seconded by Councilman Cochrane, said resolution was approved unanimously.

5. To consider the adoption of a Resolution authorizing a tenant lease between Hauppauge Office Park, LLC and Nicosia Enterprises, located at 888 and 898 Veterans Highway, Hauppauge, New York. On a motion by Councilman Cochrane and seconded by Councilman Plotteron, said resolution was approved unanimously.

6. To consider the adoption of a Resolution authorizing a tenant lease between Hauppauge Office Park, LLC and Amica Mutual Insurance, located at 888 and 898 Veterans Highway, Hauppauge, New York. On a motion by Councilman Senft and seconded by Councilwoman Bergin Weichbrodt, said resolution was approved unanimously.

7. To consider the adoption of a Resolution authorizing a tenant lease between Hauppauge Office Park, LLC and Urban Financial of America, LLC, located at 888 and 898 Veterans Memorial Highway, Hauppauge, New York. On a motion by Councilman Cochrane and seconded by Councilman Senft, said resolution was approved unanimously.
8. To consider the adoption of a Resolution appointing Officers of the Town of Islip Industrial Development Agency. On a motion by Councilwoman Bergin Weichbrodt and seconded by Councilman Cochrane, said motion was approved unanimously.

9. To consider the adoption of a Resolution approving the 2015 meeting schedule of the Town of Islip Industrial Development Agency. On a motion by Councilman Senft and seconded by Councilwoman Bergin Weichbrodt, said motion was approved unanimously.

10. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt an Audit Committee in compliance with the Public Authority Accountability Act (“PAAA”) and to appoint Steven J. Flotteron, John C. Cochrane, Jr. and Ronald Devine to that committee. On a motion by Councilwoman Bergin Weichbrodt and seconded by Councilman Senft, said motion was approved unanimously.

11. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a Finance Committee in compliance with the Public Authority Accountability Act (“PAAA”) and to appoint Trish Bergin Weichbrodt, Anthony S. Senft, Jr. and Eric Hofmeister to that committee. On a motion by Councilman Cochrane and seconded by Councilman Flotteron, said motion was approved unanimously.

12. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a Governance Committee in compliance with the Public Authority Accountability Act (“PAAA”) and to appoint Trish Bergin Weichbrodt, John C. Cochrane, Jr., and Brad Hemingway to that committee. On a motion by Councilman Senft and seconded by Councilwoman Bergin Weichbrodt, said motion was approved unanimously.

13. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a Code of Ethics in compliance with the Public Authority Accountability Act (“PAAA”) and to appoint the Board of Ethics of the Town of Islip as its Ethics Officer. On a motion by Councilwoman Bergin Weichbrodt and seconded by Councilman Cochrane, said motion was approved unanimously.

14. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt an Investment Policy in compliance with the Public Authority Accountability Act (“PAAA”) which will apply to the procurement for goods and services not subject to the competitive bidding requirements set forth in General Municipal Law Section 103 and which goods and services are paid for and used by the Agency. On a motion by Councilman Senft and seconded by Councilwoman Bergin Weichbrodt, said motion was approved unanimously.
15. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a Procurement Policy in compliance with the Policy Authority in compliance with the Public Authority Accountability Act ("PAAA") which will apply to the procurement for goods and services not subject to the competitive bidding requirements set forth in General Municipal Law Section 103 and which goods and services are paid for and used by the Agency. On a motion by Councilman Flotteron and seconded by Councilman Senft, said motion was unanimously approved.

16. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to enter into a contract with Ellen Colozzo, Principal of E.C. Consulting Services, Inc. for the period of January 1, 2015 through December 31, 2015, to manage and oversee the collection and distribution of PILOT monies in accordance with prescribed procedures, and to collect data for eventual submittal. The compensation for said contract will be set $45.00 per hour and be limited to $4,000.00 annually. On a motion by Councilman Cochrane and seconded by Councilman Senft, said motion was approved unanimously approved.

17. To consider a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt the Travel Authorization and Mileage Reimbursement guidelines as stated in the Town of Islip Administrative Procedures manual, Section 303, as recommended by the New York State Authorities Budget Office. On a motion by Councilwoman Bergin Weichbrodt and seconded by Councilman Flotteron, said motion was unanimously approved.

18. To consider the adoption of a Resolution to authorize the Town of Islip Industrial Development Agency to execute a one year extension contract with Albrecht, Viggiano, Zureck & Co., to perform the audit for the year ended December 31, 2014. On a motion by Councilman Cochrane and seconded by Councilwoman Bergin Weichbrodt, said motion was unanimously approved.

19. To consider any other business that may come before the Agency. Meeting adjourned by Councilman Senft and seconded by Councilman Bergin Weichbrodt.
Date: January 29, 2015

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 29th day of January, 2015, 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 (C. Vignola Realty, LLC/Century Direct, LLC 2015 Facility) and the leasing of the facility to C. Vignola Realty, LLC for further subleasing to Century Direct, LLC.

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 C. VIGNOLA REALTY,
LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF
ITSELF AND/OR THE PRINCIPALS OF C. VIGNOLA REALTY, LLC
AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF
ANY OF THE FOREGOING AND CENTURY DIRECT, LLC, A NEW
YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF
AND/OR THE PRINCIPALS OF CENTURY DIRECT, LLC 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 AN INDUSTRIAL
DEVELOPMENT FACILITY AND APPROVING THE FORM,
SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS AND
MAKING CERTAIN FINDINGS AND DETERMINATIONS

WHEREAS, by Title I 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, Century Direct, 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 Century
Direct, LLC and/or an entity formed or to be formed on behalf of any of the foregoing
(collectively, 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 3.3 acre parcel of land located at
15 Enter Lane, Islandia, New York (the “Land”) and the renovation and equipping thereon
of an approximately 85,000 square foot building, together with the acquisition, installation
and equipping of improvements, structures and other related facilities attached to the Land
(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 will be leased by the Agency to C. Vignola Realty, LLC, a limited liability company
organized and existing under the laws of the State of New York (the “Company”), and (b)
the Agency’s assistance with the renovation of the Company Facility and the acquisition and
installation of certain equipment and personal property including, but not limited to,
computers, printers, presses (the “Equipment”), which Equipment is to be leased by the
Agency 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 in its business
in the provision of commercial printing, mailing services, data management and computer
services, including the following as they relate to the appointment of the Company and the
Sublessee as agents of the Agency pursuant to Section 7 hereof 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 January 1, 2015
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 sublease and lease the Company Facility to the
Company pursuant to a certain Lease Agreement, dated as of January 1, 2015 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 lease the Equipment to the Sublessee pursuant to a
certain Equipment Lease Agreement, dated as of January 1, 2015 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 consistent with the policies of the Agency, in the form of (i) exemptions from sales
and use taxes in an amount not to exceed $180,000 in connection with the purchase or lease
of equipment, building materials, services or other personal property, (ii) exemptions from
mortgage recording taxes for one or more mortgages securing an amount presently estimated
to be $5,000,000 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, constructing and equipping of the Facility, and
(iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit
C hereof), consistent with the policies of the Agency; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop,
courage 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, a public hearing (the “Hearing”) was held and notice of the Hearing
was given and such notice (together with proof of publication) together with the minutes of
the Hearing are in substantially in the form annexed hereto as Exhibits A and B respectively;
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 will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of January 1, 2015 or such date as may be determined by the Agency and counsel to the Agency (the “PILOT Agreement”), pursuant to which the Company and the Sublessee will make payments in lieu of taxes on the Facility; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency, the Company and the Sublessee will enter into a certain Recapture Agreement, dated as of January 1, 2015 or such date as may be determined by the Agency and counsel to the Agency (the “Recapture Agreement”), among the Agency, the Company and the Sublessee; 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 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 leasehold interest or a fee title interest is either an inducement to the Company and/or 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 industry; 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 has 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; 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 transfer of leasehold title to the Company Facility and title to the Equipment (as such term is defined in the Lease Agreement); and

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:
Section 1. Based upon the Environmental Assessment Form completed by the Company and the Sublessee and reviewed by the Agency and other representations and information furnished by the Company 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 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 will preserve the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip. The Company and the Sublessee have represented to the Agency that they will create or maintain 282 full-time employees within the first year of completion and 312 full-time employees within the second year upon completion.

(c) The Facility constitutes a “project”, as such term is defined in the Act.

(d) The acquisition, renovation and equipping of the Company Facility, the leasing of the Company Facility to the Company, the subleasing of the Company Facility by the Company to the Sublessee, the acquisition and installation of the Equipment and the leasing of the Equipment to the 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.

(e) The acquisition, renovation and equipping of the Facility by the Agency is reasonably necessary to induce the Company and the Sublessee to maintain and expand their respective business operations in the State of New York.

(f) Based upon representations of the Company, the Sublessee and counsel to the Company and counsel to the Sublessee, 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 lease the Company Facility to the Company and the Equipment to the Sublessee; 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 leases the Company Facility to the Company; and

(j) The Equipment Lease Agreement will be an effective instrument whereby the Agency leases the Equipment to the Sublessee; and

(k) The PILOT Agreement will be an effective instrument whereby the Agency, the Company and the Sublessee set forth the terms and conditions of their agreement regarding the Company's and the Sublessee's payments-in-lieu-of real property taxes; and

(l) The Recapture Agreement will be an effective instrument whereby the Agency, the Company and the Sublessee agree to provide for the obligations of the Company and the Sublessee under the Transaction Documents (as defined in the Lease Agreement) and describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company and the Sublessee; and

(m) The Environmental Compliance and Indemnification Agreement, dated as of January 1, 2015 or such other date as may be determined by the Agency and counsel to the Agency (the "Environmental Compliance and Indemnification Agreement"), by and among the Agency, the Company and the Sublessee will be an effective instrument whereby the Company and the Sublessee agree to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(n) The Agency Compliance Agreement, dated as of January 1, 2015 or such other date as may be determined by the Agency and counsel to the Agency (the "Agency Compliance Agreement"), between the Agency and the Sublessee will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Sublease Agreement.

(o) 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 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) 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, deliver and perform the PILOT Agreement, (viii) execute, deliver and perform the Recapture Agreement, (ix) execute and deliver the Environmental Compliance and Indemnification Agreement, (x) execute and deliver the Agency Compliance Agreement, and (xi) (vii) grant the mortgage on and security interest and assignment of leases and rents, in and to the Facility pursuant to the Loan Documents; (viii) execute, deliver and perform the Loan Documents to which the Agency is a party; and (ix) execute, deliver and perform any future loan documents, to which the Agency is a party, in connection with any future refinancing or
permanent financing of the costs of acquiring, constructing and equipping of the Facility without the need for any further or future approvals of the Agency.

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. 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 5. The form and substance of the Company Lease Agreement, the Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification 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) are hereby approved.

Section 6. 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 equip the Facility. The Company and the Sublessee are 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 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 has received exemptions from sales and use taxes in an amount not to exceed $180,000 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

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subject to the completion of the transaction and the execution of the documents contemplated by this resolution.

Section 7. 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 and the Recapture Agreement.

Section 8. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, 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 $5,000,000 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 of the Facility, (ii) exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed $180,000, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency.

Section 9. 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 PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement, the 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.

Section 10. 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. Any expenses incurred by the Agency with respect to the 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 Facility.

Section 13. This resolution shall take effect immediately.

ADOPTED: January 29, 2015

ACCEPTED: ________ 2015

C. VIGNOLA REALTY, LLC

By: ____________________________
Name: __________________________
Title: ___________________________

CENTURY DIRECT, LLC

By: ____________________________
Name: __________________________
Title: ___________________________
STATE OF NEW YORK       )
COUNTY OF SUFFOLK      )

: SS: 

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 29th day of January, 2015, 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 in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 29th day of January, 2015.

By: ____________________________

Assistant Secretary
RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING SILVERBACK REALTY LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF SILVERBACK REALTY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AND MULTIDYNE ELECTRONICS, INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF MULTIDYNE ELECTRONICS, 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, Silverback Realty LLC, a New York limited liability company on behalf of itself and/or the principals of Silverback Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Company”), and Multidyne Electronics, Inc., a New York business corporation, on behalf of itself and/or the principals of Multidyne Electronics, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 1.3 acre parcel of land located at 35 Hoffman Avenue, Hauppauge, New York 11788 (the “Land”), the renovation of an approximately 19,960 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 Agency to 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”), which Equipment is to be leased by the Agency 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 for its primary use in the high-tech manufacture, design and warehousing of fiber optic communication equipment for the broadcast, cinema and professional AV industries, including the following as they relate to the appointment of the Company and the Sublessee as agent(s) 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 Improvements and a fee interest in the Facility Equipment and the Equipment and 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 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, 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 the principal amount presently estimated to be $1,831,500 but not to exceed $2,200,000 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 $50,000, in connection with the purchase or lease of equipment, building materials, services or other personal property, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency; 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 transaction is either an inducement to the Company and/or 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 industry; 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 has 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 the Sublessee and reviewed by the Agency and other representations and information furnished by the Company 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 leasing of the Company Facility to the Company, the subleasing thereof 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 the Company Facility to the Company, and (iii) lease the Equipment to the Sublessee.

Section 4. 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: (i) exemptions from mortgage recording taxes for one or more mortgages securing the principal amount presently estimated to be $1,831,500 but not to exceed $2,200,000 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 $50,000, in connection with the purchase or lease of equipment, building materials, services or other personal property, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereto), consistent with the policies of the Agency.

Section 5. 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 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 6. 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 7. The Chairman, Executive Director, counsel to the Agency 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 8. Any expenses incurred by the Agency with respect to the 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 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 9. This resolution shall take effect immediately.

ADOPTED: January 29, 2015

ACCEPTED: _______ 2015 SILVERBACK REALTY LLC

By: ___________________________
Name: __________________________
Title: __________________________

ACCEPTED: _______ 2015 MULTIDYNE ELECTRONICS, INC.

By: ___________________________
Name: __________________________
Title: __________________________
STATE OF NEW YORK  
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 January 29, 2015, 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 Agreement and the Application are 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 January 29, 2015.

______________________________
Assistant Secretary