

B & S MANAGEMENT CONSULTANT LLC  
and  
TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY  
(TOWN OF ISLIP, NEW YORK)

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COMPANY LEASE AGREEMENT

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Dated as of September 1, 2016

Town of Islip Industrial Development Agency  
(B & S Management Consultant LLC/B & S Fragrances & Cosmetics, Inc. 2016 Facility)

THIS COMPANY LEASE AGREEMENT, dated as of September 1, 2016 (the “**Company Lease**”), is by and between B & S MANAGEMENT CONSULTANT LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having its principal office at 25 Ranick Road, Hauppauge, New York 11788 (the “**Company**”), and the TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 40 Nassau Avenue, Islip, New York 11751 (the “**Agency**”).

#### RECITALS

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the aforesaid act authorizes the creation of industrial development agencies for the Public Purposes of the State of New York (the “**State**”); and

WHEREAS, pursuant to and in accordance with the provisions of the aforesaid act, as amended, and Chapter 47 of the Laws of 1974 of the State, as amended (collectively, the “**Act**”), the Agency was created and is empowered under the act to undertake the Project Work and the leasing of the Facility defined below; and

WHEREAS, the Agency has agreed to assist in: (a) the acquisition of an approximately 2.81 acre parcel of land located at 25 Ranick Road Hauppauge, New York 11788 (the “**Land**”), the renovation of an approximately 52,200 square foot building located thereon (the “**Improvements**”) and the acquisition and installation therein of certain equipment 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 B & S Fragrances and Cosmetics, Inc., a (the “**Sublessee**”), and Louis J. Solomon, Inc., a business corporation organized and existing under the laws of the State of New York (the “**Tenant**”), and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”, and together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee, and which Facility is to be used by the Sublessee for its primary use as a distribution facility in its business as an importer and exporter of perfume and cosmetics (the “**Project**”); and

WHEREAS, the Company has agreed with the Agency, on behalf of the Agency and as the Agency’s agent, to complete the Project Work; and

WHEREAS, the Company has agreed to lease the Land and the Improvements to the Agency pursuant to and in accordance with this Company Lease; and

WHEREAS, the Agency has agreed to sublease and lease the Company Facility to the Company pursuant to the terms of a certain Lease Agreement, dated as of September 1, 2016 (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Company has agreed to transfer to the Agency title to the Facility Equipment pursuant to a Bill of Sale, dated the Closing Date (the “**Bill of Sale**”).

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties mutually agree as follows:

The Company hereby leases the Land (described in Exhibit A attached hereto) and the Improvements to the Agency for the annual rent of \$1.00 for a term commencing on the Closing Date and terminating at 11:59 p.m. on November 30, 2027 (the “**Lease Term**”).

This Company Lease shall terminate on the earliest of (i) the expiration of the Lease Term and (ii) the termination of the Lease Agreement pursuant to Article X or Article XI thereof.

The Company agrees to keep, perform and observe, from and after the date hereof, all of the terms, covenants, conditions, obligations and other provisions contained in the Lease Agreement. The Company agrees further that it shall indemnify, defend and hold harmless the Agency from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings and attorneys’ fees arising out of or in connection with the Lease Agreement or this Company Lease and shall defend the Agency in any suit, action or proceeding, including appeals, for personal injury to, or death of, any person or persons, or for any loss of or damage to property of persons, or for other claims arising out of the acts or omissions of the Company or any of its officers, directors, agents or employees. The foregoing indemnitees shall include all expenses incurred by the Agency, including, without limitation, reasonable attorneys’ fees to enforce this Company Lease, the Lease Agreement or any other document to which the Company and the Agency are parties, and with respect to third party claims.

The Agency, for itself and its successors and assigns, hereby agrees to lease the Land and the Improvements from the Company on the terms and conditions contained herein.

The Company and the Agency acknowledge that the Agency will lease and sublease the Company Facility to the Company pursuant to the Lease Agreement. The Company and the Agency agree that while this Company Lease and the Lease Agreement remain in full force and effect, (i) there shall be no merger of the Company’s fee simple absolute estate in the Land and the Improvements and the Company’s subleasehold estate in the Land and Improvements created under the Lease Agreement; and (ii) the Agency shall continue to have, use and enjoy the leasehold estate in the Land and the Improvements created under this Company Lease.

The Company and the Agency acknowledge that in order to accomplish certain financing arrangements for the Company Facility, the parties may be required to assign and mortgage, for collateral purposes, each of their respective rights, titles and interests held pursuant to this Company Lease, the Lease Agreement and other interests that either may hold. Each of the Company and the Agency hereby consents to all such assignments, mortgages and other collateral financing requirements that may arise in connection with the financing or refinancing of the Company Facility.

This Company Lease and any and all modifications, amendments, renewals and extensions thereof is subject and subordinate to any Mortgage which may be granted by the Agency and the Company on the Company Facility or any portion thereof and to any and all modifications, amendments, consolidations, extensions, renewals, replacements and increases thereof.

This Company Lease shall not be recorded by either party hereto. The Agency shall cause a memorandum of lease with respect hereto to be recorded in the office of the Suffolk County Clerk.

All notices, certificates and other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, return receipt requested, or delivered by any national overnight express delivery service (in each case, postage or delivery charges paid by the party giving such communication) addressed as follows or to such other address as any party may specify in writing to the other:

To the Agency:

Town of Islip Industrial Development Agency  
40 Nassau Avenue  
Islip, New York 11751  
Attention: William G. Mannix, Executive Director

With a copy to:

Islip Town Attorney's Office  
Town Hall  
655 Main Street  
Islip, New York, 11751

To the Company:

B & S Management Consultant LLC  
25 Ranick Road  
Hauppauge, New York 11788  
Attention: Saleem Khan, Managing Member  
Sultan Khan, Member

With a copy to:

Ballon Stoll Bader & Nadler, P.C.  
729 Seventh Avenue, 17<sup>th</sup> Floor  
New York, New York 10019  
Attention: Mark B. Stillman, Esq.

Notice by mail shall be effective when delivered but if not yet delivered shall be deemed effective at 12:00 p.m. on the third Business Day after mailing with respect to certified mail and one Business Day after mailing with respect to overnight mail.

Copies of all notices given either to the Agency or to the Company shall also be sent to any Lender, if such Lender shall have delivered written instructions to the Agency and the Company with the address of such Lender.

If a party hereto determines in its reasonable discretion that any further instruments or other actions are necessary or desirable to carry out the terms of this Company Lease, the other party shall, at the Company's sole cost and expense, execute and deliver all such instruments and take all such actions.

Capitalized terms used in this Company Lease and not otherwise defined in this Company Lease shall have the meanings assigned thereto in Schedule A to the Lease Agreement.

This Company Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

This Company Lease may not be amended, changed, modified or altered except in writing executed by the parties hereto.

This Company Lease shall be governed exclusively by the applicable laws of the State of New York, without regard or reference to its conflict of laws principles.

This Company Lease and the conveyance made hereby shall be subject to the trust fund provisions of Section 13 of the Lien Law of the State.

(Remainder of Page Intentionally Left Blank – Signature Pages Follow)

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

**B & S MANAGEMENT CONSULTANT  
LLC**

By:   
Name: Saleem Khan  
Title: Managing Member

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


On the 13th day of September in the year 2016, before me, the undersigned, personally appeared **Saleem Khan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

  
Notary Public

CHARLES A. TRIPI  
Notary Public, State of New York  
Qualified in Nassau County  
No. 01TR4877471  
My Commission Expires Nov. 24, 2018

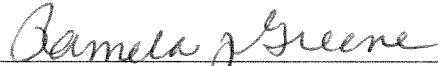
Signature Page 1 of 2  
Company Lease Agreement

**TOWN OF ISLIP INDUSTRIAL  
DEVELOPMENT AGENCY**

By:   
Name: William G. Mannix  
Title: Executive Director

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

On the 8<sup>th</sup> day of September in the year 2016, before me, the undersigned, personally appeared **William G. Mannix**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.



Notary Public

PAMELA J. GREENE  
NOTARY PUBLIC, State of New York  
No. 02GR6053892  
Qualified in Suffolk County  
Commission Expires June 7, 2019

Signature Page 2 of 2  
Company Lease Agreement

Exhibit A

Legal Description of Real Property

SECTION 023.00 BLOCK 02.00 LOT 009.003 ON THE TAX MAP OF SUFFOLK COUNTY

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being at Hauppauge, Town of Islip, County of Suffolk and State of New York, known as part of Lot 5, as shown on "Map of Expressway Industrial Park", filed in the Suffolk County Clerk's Office as Map No. 5004 on November 29, 1967, being more particularly bounded and described as follows:

BEGINNING at the corner formed by the intersection of the Southerly side of Ransons Court (Rasons Court) and the Easterly side of Ranick Road;

RUNNING THENCE along the Southerly side of Ransons Court (Rasons Court), South 89 degrees 47 minutes 42 seconds East, 390.50 feet;

THENCE South 0 degrees 12 minutes 18 seconds West, 314.11 feet;

THENCE North 89 degrees 47 minutes 42 seconds West, 390.50 feet to the Easterly side of Ranick Road;

THENCE along the Easterly side of Ranick Road, North 0 degrees 12 minutes 18 seconds East, 314.11 feet to the Southerly side of Ransons Court (Rasons Court) and the point or place of BEGINNING.