

Date: April 19, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 19th day of April, 2016 the following members of the Agency were:

Present: Supervisor Carpenter
Councilman Flotteron
Councilwoman Bergin Weichbrodt
Councilman Cochrane
Councilwoman Mullen

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 (Paramount Land Realty LLC/America New York Ri Wang Food Group Co. Ltd/RiWang Foodstuff Group (USA) LLC 2016 Facility) and the leasing of the facility to Paramount Land Realty LLC for further subleasing to America New York Ri Wang Food Group Co. Ltd and RiWang Foodstuff Group (USA) LLC.

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

Voting Aye

Voting Nay

Supervisor Carpenter
Councilman Flotteron
Councilwoman Bergin Weichbrodt
Councilman Cochrane
Councilwoman Mullen

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 PARAMOUNT LAND REALTY LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF PARAMOUNT LAND REALTY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, AMERICA NEW YORK RI WANG FOOD GROUP CO. LTD, A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AMERICA NEW YORK RI WANG FOOD GROUP CO. LTD AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AND RIWANG FOODSTUFF GROUP (USA) LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF RIWANG FOODSTUFF GROUP (USA) LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

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

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

WHEREAS, Paramount Land Realty 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 Paramount Land Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), America New York Ri Wang Food Group Co. Ltd, a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of America New York Ri Wang Food Group Co. Ltd and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, “**America Ri Wang**”), and RiWang Foodstuff Group (USA) 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 RiWang Foodstuff Group (USA) LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, “**RiWang Foodstuff**”); and

together with America Ri Wang, the “**Sublessees**”), have applied to the Agency to enter into a transaction in which the Agency will assist in: (a) the acquisition of an approximately 2.29 acre parcel of land located at 30 Inez Avenue, Bay Shore, New York 11706 (the “**Land**”), the renovation of an existing approximately 45,000 square foot building located thereon, 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 and personal property (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility will be subleased and leased by the Agency to the Company, and further subleased by the Company to the Sublessees; (b) the acquisition and installation of certain equipment and personal property (the “**America Ri Wang Equipment**”), which America Ri Wang Equipment is to be leased by the Agency to the America Ri Wang; and (c) the acquisition and installation of certain equipment and personal property (the “**RiWang Foodstuff Equipment**”; and together with the America Ri Wang Equipment, the “**Equipment**”), which RiWang Foodstuff Equipment is to be leased by the Agency to RiWang Foodstuff (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”), and which Facility is to be used by the Sublessees in their respective businesses as a manufacturer and distributor of gourmet Asian food, including the following as they relate to the appointment of the Company and the Sublessees 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 the Improvements pursuant to a certain Company Lease Agreement, dated as of April 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

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

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

WHEREAS, the Agency will acquire title to the America Ri Wang Equipment pursuant to a certain America Ri Wang Equipment Bill of Sale, dated the Closing Date (the “**America Ri Wang Equipment Bill of Sale**”), from America Ri Wang to the Agency; and

WHEREAS, the Agency will lease the America Ri Wang Equipment to America Ri Wang pursuant to a certain America Ri Wang Equipment Lease Agreement, dated as of April 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**America Ri Wang Equipment Lease Agreement**”), by and between the Agency and America Ri Wang; and

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

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessees 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 \$2,790,000 but not to exceed \$3,200,000 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 \$8,625, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, in order to define the Company’s and Sublessees’ obligations regarding payments-in-lieu-of taxes with respect to the Facility, the Agency, the Company and the Sublessees will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of April 1, 2016, or such date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**PILOT Agreement**”), pursuant to which the Company and the Sublessees 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 Sublessees will enter into a certain Recapture Agreement, dated as of April 1, 2016 or such date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Recapture Agreement**”), by and among the Agency, the Company and the Sublessees; and

WHEREAS, the Company, the Sublessees and the Agency will enter into a certain Environmental Compliance and Indemnification Agreement, dated as of April 1, 2016 or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Environmental Compliance and Indemnification Agreement**”), by and among the Agency, the Company and the Sublessees, whereby the Company and the Sublessees will 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 such laws; and

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

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

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

WHEREAS, while the Company and the Sublessees have represented to the Agency that the approval of the Facility will result in the closure of a plant located at 58-85 58th Avenue, Maspeth, New York and the Agency would otherwise be prohibited from granting benefits pursuant to the provisions of Section 862 of the Act, based upon the representations of the Company and the Sublessees in the Application for financial assistance filed by the Company and the Sublessees with the Agency (the “**Application**”), the closure of the plant is reasonably necessary to discourage the Company and the Sublessees from removing such other plant to a location outside the State and therefore not subject to the prohibitions contained in Section 862 of the Act; and

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

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

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

Section 1. The Agency hereby finds and determines:

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

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

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

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

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

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

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

(h) It is desirable and in the public interest for the Agency to lease the America Ri Wang Equipment to America Ri Wang; and

(i) It is desirable and in the public interest for the Agency to lease the RiWang Foodstuff Equipment to RiWang Foodstuff; and

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

(k) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the Company Facility to the Company; and

(l) The America Ri Wang Equipment Lease Agreement will be an effective instrument whereby the Agency leases the America Ri Wang Equipment to America Ri Wang; and

(m) The RiWang Foodstuff Equipment Lease Agreement will be an effective instrument whereby the Agency leases the RiWang Foodstuff Equipment to RiWang Foodstuff; and

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

(o) The Recapture Agreement will be an effective instrument whereby the Agency, the Company and the Sublessees agree to provide for the obligations of the Company and the Sublessees 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 Sublessees; and

(p) The Environmental Compliance and Indemnification Agreement will be an effective instrument whereby the Company and the Sublessees 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

(q) The America Ri Wang Agency Compliance Agreement will be an effective instrument whereby America Ri Wang will provide certain assurances to the Agency with respect to the Facility; and

(r) The RiWang Foodstuff Agency Compliance Agreement will be an effective instrument whereby RiWang Foodstuff will provide certain assurances to the Agency with respect to the Facility; and

(s) 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. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) lease the America Ri Wang Equipment to America Ri Wang pursuant to the America Ri Wang Equipment Lease Agreement, (vi) execute, deliver and perform the America Ri Wang Equipment Lease Agreement, (vii) lease the RiWang Foodstuff Equipment to RiWang Foodstuff pursuant to the RiWang Foodstuff Equipment Lease Agreement, (viii) execute, deliver and perform the RiWang Foodstuff Equipment Lease Agreement, (ix) execute, deliver and perform the PILOT Agreement, (x) execute and deliver the Recapture Agreement, (xi) execute and deliver the Environmental Compliance and Indemnification Agreement, (xii) execute and deliver the America Ri Wang Agency Compliance Agreement, (xiii) execute and deliver the RiWang Foodstuff Agency Compliance Agreement, (xiv) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (xv) execute and deliver the Loan Documents to which the Agency is a party.

Section 3. 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 America Ri Wang Equipment

Lease Agreement and the personal property described in Exhibit A to the RiWang Foodstuff Equipment Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessees in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$2,790,000 but not to exceed \$3,200,000 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 \$8,625, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency.

Section 6. Subject to the provisions of this resolution, the Company and the Sublessees are herewith and hereby appointed the agents of the Agency to acquire, renovate and equip the Facility. The Company and the Sublessees are hereby empowered to delegate their respective status as agent of the Agency to their respective agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessees 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 Sublessees 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 Sublessees, 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 Sublessees 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 Sublessees 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 Sublessees, as agent of the Agency. The aforesaid appointment of the Company and the Sublessees as agents of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company and the

Sublessees have received exemptions from sales and use taxes in an amount not to exceed \$8,625.00 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 Sublessees if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessees is subject to the execution of the documents contemplated by this resolution.

Section 7. The Company and the Sublessees hereby agree to comply with Section 875 of the Act. The Company and the Sublessees further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessees 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 form and substance of the Company Lease, the Lease Agreement, the America Ri Wang Equipment Lease Agreement, the RiWang Foodstuff Equipment Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement, the America Ri Wang Agency Compliance Agreement, the RiWang Foodstuff Agency Compliance Agreement and the Loan Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 9.

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

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

Section 10. 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 11. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on the 19th day of April, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 19th day of April, 2016.

By: 
Assistant Secretary