

FINAL RESOLUTION

(Manufacturing Automation Systems LLC Project)

A regular meeting of the Steuben County Industrial Development Agency was convened on Thursday, August 22, 2019.

The following resolution was duly offered and seconded, to wit:

Resolution No. 08/2019 - 38

RESOLUTION OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACKNOWLEDGING THE PUBLIC HEARING HELD ON AUGUST 21, 2019 WITH RESPECT TO THE MANUFACTURING AUTOMATION SYSTEMS LLC PROJECT (AS MORE FULLY DESCRIBED BELOW), (ii) APPOINTING MANUFACTURING AUTOMATION SYSTEMS LLC AS AGENT OF THE AGENCY TO UNDERTAKE THE PROJECT, AND (iii) AUTHORIZING THE EXECUTION AND DELIVERY OF A PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 178 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **MANUFACTURING AUTOMATION SYSTEMS LLC**, for itself or on behalf of an entity to be formed by it or on its behalf (collectively, the "Company"), previously submitted an application (the "Application"), a copy of which is on file with the Agency, requesting the Agency's assistance with respect to a certain project (the "Project"), consisting of: (i) the acquisition (or retention) by the Agency of a leasehold interest in certain property located at 9183, 9169 and 9207 Presho School Road, Town of Lindley, Steuben County, New York (the "Land"), and the existing manufacturing building located thereon (the "Existing Improvements"); (ii)(a) the construction on the Land of an approximately 28,800 square-foot addition to the Existing Improvements for high-crane bay manufacturing space to house a machine shop, finishing shop and panel shop, (b) the construction of a new road from Clendenning Road to route trucks to the back of the Existing Improvements, and (c) the construction of an engineering wing with conference rooms and collaborative work spaces (collectively, the "Improvements"); and (iii) the acquisition and installation by the Company in and around the Improvements of certain items of equipment and other tangible personal property to undertake the Project (the "Equipment"; and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, by resolution adopted by the Agency on July 25, 2019 (the "Inducement Resolution"), the Agency accepted the Application as submitted by the Company and, among other things, (i) described the Financial Assistance (as defined in the Inducement Resolution) being contemplated by the Agency, (ii) authorized the Agency to hold a public hearing, (iii) made a determination under New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), and (iv) authorized the negotiation of a Project Agreement (the "Project Agreement"), Lease Agreement, Leaseback Agreement and Payment-in-Lieu-of-Tax Agreement (the "Tax Agreement"), a mortgage (the "Mortgage") and related documents; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on Wednesday, August 22, 2019, at 10:00 a.m., local time, at Lindley Town Hall, 637 County Route 115, Lindley, New York 14858, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the minutes of the Public Hearing along with the notice of the Public Hearing published and forwarded to the affected taxing jurisdictions at least ten (10) days prior to said Public Hearing are attached hereto as Exhibit A; and

WHEREAS, the Agency desires to adopt a resolution (i) acknowledging that the Public Hearing was held in compliance with the Act, (ii) authorizing the Financial Assistance and (iii) authorizing the execution and delivery by the Agency of a Project Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement, Mortgage and related documents; and

WHEREAS, the Project Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement, Mortgage and related documents are being negotiated and will be presented to the Executive Director, Chairman or Vice Chairman of the Agency for execution subject to approval of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby ratifies the Public Hearing held by the Agency on Wednesday, August 21, 2019, at 10:00 a.m., local time, at Lindley Town Hall, 637 County Route 115, Lindley, New York 14858, concerning the Project and the Financial Assistance was duly held in accordance with the Act, including, but not limited to, the giving of at least ten (10) days published notice of the Public Hearing (such notice also provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the Project.

Section 2. The Agency is hereby authorized to provide the Financial Assistance to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction, reconstruction, renovation and equipping of the Project, (b) a real property tax abatement through the Tax Agreement and (c) an exemption from mortgage recording taxes as authorized by New York law.

Section 3. The Agency is hereby authorized to provide Financial Assistance to the Company in excess of \$100,000.

Section 4. Based upon the representation and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to approximately **\$1,907,500**, which result in New York State and local sales and use tax exemption benefits ("Sales and Use Tax Exemption Benefits") not to exceed **\$152,600**. The Agency agrees to consider any requests by the Company for an increase to the amount of Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 5. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any Sales and Use Tax Exemption Benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the Sales and Use Tax Exemption Benefits; (ii) the Sales and Use Tax Exemption Benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the Sales and Use Tax Exemption Benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on the Application; (v) the Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) are hereby defined as a "Recapture Event").

As a condition precedent of receiving Sales and Use Tax Exemption Benefits, real property tax abatement benefits and mortgage recording tax benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, mortgage recording tax benefits and/or real property tax abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

Section 6. Subject to the Company executing the Agent Agreement and the delivery

to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, reconstruct, renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; *provided, however*, the Agent Agreement shall expire on **July 31, 2020** (*unless extended for good cause by the Executive Director of the Agency*) if the Lease Agreement, the Leaseback Agreement and the Tax Agreement contemplated have not been executed and delivered

Section 7. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (A) the Project Agreement, pursuant to which the Agency appoints the Company as its agent to undertake the Project, (B) the Lease Agreement, pursuant to which the Company leases the Project to the Agency, (C) the related Leaseback Agreement, pursuant to which the Agency leases its interest in the Project back to the Company, and (D) the Tax Agreement, pursuant to which the Company agrees to make certain payments in lieu of real property taxes and (E) related documents; *provided, however*, (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the Tax Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 8. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender/financial institution identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or re-finance equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, the Leaseback Agreement and the Tax Agreement, collectively called the "Agency Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Executive Director of the Agency shall approve, with the execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency to constitute conclusive evidence of such approval; *provided, however*, in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 9. 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 and to execute and deliver all such certificates, instruments and documents, to 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 10. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
Michael Nisbet	[✓]	[]	[]	[]
Joseph Hauryski	[]	[]	[]	[✓]
Mark Alger	[✓]	[]	[]	[]
Anthony Russo	[]	[]	[]	[✓]
Michael Doyle	[✓]	[]	[]	[]
Christine Sharkey	[✓]	[]	[]	[]
Dean Strobel	[✓]	[]	[]	[]

The Resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION
(Manufacturing Automation Systems LLC Project)

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

I, the undersigned, Secretary of the Steuben County Industrial Development Agency DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Steuben County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on August 22, 2019, with the original thereof on file in the Agency's office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 23 day of August, 2019.


Secretary



EXHIBIT A

Notice Documents

[See Attached]

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