

AUTHORIZING RESOLUTION

*(Sale of Automated Cells & Equipment, Inc. Facility to
Automated Cells & Equipment Acquisition, LLC)*

A regular meeting of the Steuben County Industrial Development Agency on Thursday, April 25, 2019.

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

Resolution No. 04/2019 - 19

RESOLUTION AUTHORIZING THE STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO (i) EXECUTE A CERTAIN ASSIGNMENT AND ASSUMPTION AGREEMENT WITH ACNOWLEDGEMENT AND ANY AND ALL NECESSARY DOCUMENTS IN CONNECTION WITH THE SALE BY AUTOMATED CELLS & EQUIPMENT, INC. OF ITS MANUFACTURING FACILITY LOCATED AT 9699 ENTERPRISE DRIVE AND LYNN MORSE DRIVE, IN THE TOWN OF ERWIN, STEUBEN COUNTY, NEW YORK, TO AUTOMATED CELLS & EQUIPMENT ACQUISITION, LLC; AND (ii) AUTHORIZE A MORTGAGE RECORDING TAX EXEMPTION FOR THE BENEFIT OF AUTOMATED CELLS & EQUIPMENT ACQUISITION, LLC IN CONNECTION WITH FINANCING OBTAINED FOR THE ACQUISITION AND CONTINUED OPERATION OF THE MANUFACTURING FACILITY

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"), **STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "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, the Agency previously undertook a certain project in 1998 (the "1998 Project") for the benefit of Assignor consisting of the acquisition construction and equipping of a new office and manufacturing facility generally located at 9699 Enterprise Drive and Lynn Morse Drive in the Town of Erwin, Steuben County, New York (the "Land"), consisting of approximately 12,000 square feet on a 4-5 acre lot (the "1998 Facility"); and

WHEREAS, in connection with the 1998 Project, the Agency and the Assignor executed a certain Lease Agreement, dated as of July 31, 1998 (the "1998 Lease Agreement"), a certain Leaseback Agreement (the "1998 Leaseback Agreement"), and a certain PILOT Agreement, dated as of July 31, 1998 (the "1998 PILOT Agreement"); and

WHEREAS, the Agency undertook an additional project in 2007 (the "2007 Project") for the benefit of the Assignor consisting of: (i) acquisition (or retention) by the Agency of fee

title to the Land and existing improvements located thereon, (ii) the construction and equipping on the Land of an approximately 15,000 square-foot building and related improvements (including office and training space) for the manufacture of robotic and automated material handling systems (the "Improvements"), and (iii) the acquisition and installation in and around the Improvements of certain items of equipment and other tangible personal property (the "Equipment," and collectively with the Land and the Improvements, the "2007 Facility"); and

WHEREAS, in connection with the 2007 Project, the Agency and the Assignor executed a certain Lease Agreement, dated as of May 1, 2007 (the "2007 Lease Agreement"; and, together with the 1998 Lease Agreement, the "Lease Agreements"), a certain Leaseback Agreement, dated as of May 1, 2007 (the "2007 Leaseback Agreement"; and, together with the 1998 Leaseback Agreement, the "Leaseback Agreements"), and a certain PILOT Agreement, dated as of May 1, 2007 (the "2007 PILOT Agreement"; and, together with the 1998 PILOT Agreement, the "PILOT Agreements"); and

WHEREAS, Assignor has informed the Agency that Assignor and **AUTOMATED CELLS & EQUIPMENT ACQUISITION, LLC** (the "Assignee") have entered into a purchase agreement whereby Assignee will acquire the Facility, and as a result thereof indirectly acquire all of the Assignor's right, title and interest in and to the Lease Agreements, Leaseback Agreements and PILOT Agreements, as the same have been amended, restated or assigned from time to time (collectively, the "Agreements"); and

WHEREAS, the acquisition by the Assignee in and to the Assignor's right, title and interest in and to the Agreements (the "Acquisition") is not intended to modify the Agreements; and

WHEREAS, the Assignee wishes to accept and assume the right, title and interest of the Assignor in and to the Agreements pursuant to a certain Assignment and Assumption Agreement with Acknowledgment (or other similar document) by and between the Assignor and the Assignee with acknowledgment by the Agency; and

WHEREAS, the Agency has determined that said sale of the Facility from the Assignor to the Assignee will not disqualify Assignee from the real property tax abatements provided under the Agreements and therefore wishes to cooperate with said sale of the Facility; and

WHEREAS, the Assignee has submitted an application to the Agency requesting that the Agency provide the Assignee with a mortgage recording tax exemption on an up to \$2,500,000 principal amount mortgage in connection with financing obtained for the acquisition and continued operation of the Facility (the "Financial Assistance"); and

WHEREAS, the Financial Assistance to be provided by the Agency to the Company is under \$100,000 and therefore no public hearing is required to be held by the Agency; and

WHEREAS, pursuant to the 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"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the foregoing.

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

Section 1. The Agency finds that the proposed action and the providing of Financial Assistance to the Assignor constitutes a "Type II action" pursuant to 6 N.Y.C.R.R. § 617.5 and therefore is exempt from review under SEQRA.

Section 2. The Agency hereby consents to (i) the above-described sale of the Facility from the Assignor to the Assignee, and (ii) the assignment and acceptance of the Agreements.

Section 3. The Chairman, Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute a certain Assignment and Assumption Agreement with Acknowledgment and any related documents necessary to reflect said sale of the Facility from the Assignor to the Assignee.

Section 4. 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 Assignee (the "Lender") up to a maximum principal amount necessary to acquire the Facility and/or finance or re-finance equipment and other personal property and related transactional costs (hereinafter, with the Agreements, 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, the execution thereof by the Chairman, Vice Chairman and/or Executive Director of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolutions was duly put to a vote by roll call, which resulted as follows:

| | <i>Yea</i> | <i>Nay</i> | <i>Absent</i> | <i>Abstain</i> |
|------------------------|------------|------------|---------------|----------------|
| Michael Nisbet | [✓] | [] | [] | [] |
| Joseph Hauryski | [✓] | [] | [] | [] |
| James Frame | [] | [] | [] | [] |
| Tony Russo | [] | [] | [✓] | [] |
| Michael Doyle | [✓] | [] | [] | [] |
| Christine Sharkey | [✓] | [] | [] | [] |
| Mark Alger | [✓] | [] | [] | [] |

The resolutions were thereupon duly adopted.

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SECRETARY'S CERTIFICATION
*(Sale of Automated Cells & Equipment, Inc. Facility to
Automated Cells & Equipment Acquisition, LLC)*

STATE OF NEW YORK)
COUNTY OF STEUBEN) SS:

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

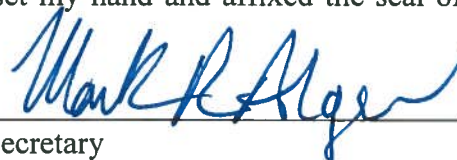
That I have compared the annexed extract of the minutes of the meeting of the Steuben County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on April 25, 2019, with the original thereof on file the Agency's office, and that the same is a true and correct 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 the 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 Directors 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 25th day of April, 2019.


Secretary

[SEAL]

