

Project Summary Sheet

Automated Cells & Equipment Acquisition LLC

September, 2019

Project Description

The project consists of the acquisition of the assets of Automated Cells & Equipment, Inc. The new company will maintain operations and employment at the current location in Steuben County and is seeking the transfer of the remaining PILOT benefits and a mortgage tax abatement on the purchase cost.

Total Project Investment	\$12M
Jobs Retained	60
Benefit to Cost Ratio	9:1
Estimated PILOT Benefit	No New Benefit
Estimated Sales Tax Savings	No New Benefit
Mortgage Tax Benefit	\$31,000
Total Savings	\$31,000

Comments The proposed incentive will help support the continued operation of the company and retention of the jobs in Steuben County

Estimated Project Start Date October 2019
Estimated Project Completion Date October 2019

Evaluative Criteria for Manufacturing

1. Private Sector Investment
The proposed project will leverage \$12 million in private sector investment to purchase the business assets.
2. Create or Retain Jobs
The project will retain 60 manufacturing jobs and keep the business from being relocated.

No. _____

Application To

**STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY/
STEUBEN AREA ECONOMIC DEVELOPMENT CORPORATION**
For
FINANCIAL ASSISTANCE**

Section I: Applicant Information

Please answer all questions. Use "None" or "Not Applicable" where necessary.

A) Applicant Information-company receiving benefit:

Applicant Name: Automated Cells & Equipment Acquisition, LLC

Applicant Address: 9699 Enterprise Drive, Painted Post, NY 14870

Phone: 617-286-8980 Fax: N/A

Website: https://www.aulocells.com/ (company being acquired) E-mail: mm@wincove.com

Federal ID#: 83-3806066 NAICS: 333999

Will a Real Estate Holding Company be utilized to own the Project property/facility? Yes or No

What is the name of the Real Estate Holding Company: N/A

Federal ID#: N/A

B) Authorized Signatory:

Name: Imran Parekh

Title: Vice President

Address: 140 Commerce Dr., Rochester, NY 14623

Phone: 585-292-0920 Fax: N/A

E-Mail: iparekh@aioi.com

C) Corporate Contact (if different from individual completing application):

Name: Michael McGovern

Title: Vice President and Secretary

Address: 120 St James St, 6th floor, Boston, MA 02116

Phone: 617-286-8980 Fax: N/A

E-Mail: mm@wincove.com

D) Company Counsel:

Name of Attorney: William Hof
Firm Name: Husch Blackwell LLP
Address: 190 Carondelet Plaza, Suite 600, St. Louis, MO 63105-3433
Phone: 314-345-6235 Fax: 314-480-1505
E-mail: William.Hof@huschblackwell.com

E) Identify the assistance being requested of the Agency (select all that apply):

- 1. Exemption from Sales Tax Yes or No
- 2. Exemption from Mortgage Tax Yes or No
- 3. Exemption from Real Property Tax Yes or No
- 4. Tax Exempt Financing * Yes or No

* (typically for not-for-profits & small qualified manufacturers)

F) Business Organization (check appropriate category):

- | | | | |
|---------------------|--------------------------|---------------------------|-------------------------------------|
| Corporation | <input type="checkbox"/> | Partnership | <input type="checkbox"/> |
| Public Corporation | <input type="checkbox"/> | Joint Venture | <input type="checkbox"/> |
| Sole Proprietorship | <input type="checkbox"/> | Limited Liability Company | <input checked="" type="checkbox"/> |

Other (please specify) _____

Year Established: 2019

State in which Organization is established: Delaware

G) List all stockholders, members, or partners with % of ownership greater than 20%:

<u>Name</u>	<u>% of ownership</u>
<u>Aloi Material Handling and Automation, LLC</u>	<u>100%</u>
_____	_____
_____	_____

H) Applicant Business Description:

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: Automated Cells & Equipment Acquisition, LLC will be acquiring the assets of Automated Cells & Equipment, Inc., which was formed in 1996. Automated Cells & Equipment, Inc. develops and manufactures automated robotic solutions, which are sold to other companies. Automated Cells & Equipment Acquisition, LLC will continue these operations following the acquisition.

Estimated % of sales within County/City/Town/Village: 1%

Estimated % of sales outside County/City/Town/Village. but within New York State: 5%

Estimated % of sales outside New York State but within the U.S.: 91%

Estimated % of sales outside the U.S. 3%

(*Percentage to equal 100%)

I) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in County/City/Town Village. 3%

Section II: Project Description & Details

A) Project Location:

Municipality or Municipalities of current operations: Town of Erwin

Provide the property address of the Proposed Project:

9699 Enterprise Drive, Painted Post, New York 14870. Please note that there are two separate Tax ID numbers: 298.00-01-003.121 (main parcel which includes the building) and 298.00-01-003.122 (vacant land – dimensions of 145 feet x 40 feet).

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes or No

If Yes, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry: N/A

What are the current real estate taxes on the proposed Project Site? \$1,468.88

If amount of current taxes is not available, provide assessed value for each:

Land: \$ current taxes avail.

Buildings(s): \$ current taxes avail.

Are Real Property Taxes current? Yes or No. If no, please explain _____

Town/City/Village: Town of Erwin School District: Corning-Painted Post School District

Does the Applicant or any related entity currently hold fee title to the Project site? Yes or No

If No, indicate name of present owner of the Project Site: Automated Cells & Equipment, Inc.

Does Applicant or related entity have an option/contract to purchase the Project site? Yes or No

Describe the present use of the proposed Project site: Headquarters of Automated Cells & Equipment, Inc.

The proposed project site has both office and shop space (~30,000 sq. ft. total). Automated Cells & Equipment Acquisition, LLC will be acquiring the assets of Automated Cells & Equipment, Inc., including the proposed project site.

B) Please provide narrative of project and the purpose of the project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility): _____

Automated Cells & Equipment Acquisition, LLC will be acquiring the assets of Automated Cells & Equipment, Inc., including the real estate and equipment. After the acquisition, Automated Cells & Equipment Acquisition, LLC will continue the operations of Automated Cells & Equipment, Inc. of developing and manufacturing automated robotic solutions sold to other companies.

Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary): _____

The Agency's Financial Assistance is necessary to continue the operations of Automated Cells & Equipment, Inc. of developing and manufacturing automated robotic solutions sold to other companies.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

Yes or No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency: Although the Project could be undertaken without Financial Assistance provided by the Agency, the Project should be undertaken by the Agency because it will support the continued operations of Automated Cells & Equipment Acquisition, LLC, which provide employment opportunities to individuals the community.

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village? _____
If the Applicant is unable to obtain Financial Assistance from the Agency for the Project, it may limit the ability of the Applicant to continue and expand its operations.

C) Will Project include leasing any equipment Yes or No

If Yes, please describe: _____

D) Site Characteristics:

Describe the present zoning/land use: Main parcel: Property Class 714 "Lite Industrial Manufacturing"; Zoning Class. "Comm. 1".

Will the Project meet zoning/land use requirements at the proposed location? Yes or No

If not, please describe required zoning/land use: _____

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: N/A

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: No

E) Provide any additional site information or details that may be applicable to the proposed project:

F) Select Project Type for all end users at project site (you may check more than one):

- | | | | |
|----------------------------------|-------------------------------------|---------------------------------|-------------------------------------|
| Industrial | <input type="checkbox"/> | Back Office | <input checked="" type="checkbox"/> |
| Acquisition of Existing Facility | <input checked="" type="checkbox"/> | Retail | <input type="checkbox"/> |
| Housing | <input type="checkbox"/> | Mixed Use | <input type="checkbox"/> |
| Equipment Purchase | <input checked="" type="checkbox"/> | Facility for Aging | <input type="checkbox"/> |
| Multi-Tenant | <input type="checkbox"/> | Civic Facility (not for profit) | <input type="checkbox"/> |
| Commercial | <input checked="" type="checkbox"/> | Other _____ | <input type="checkbox"/> |

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Questionnaire contained in Section III of the Application.

Retail Sales*: Yes or No

Services*: Yes or No

*For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

G) Project Information:

Estimated costs in connection with Project:

- | | |
|--|---------------------|
| 1. Land and/or Building Acquisition: | \$ <u>1,250,000</u> |
| <u>4.31</u> acres _____ square feet | |
| 2. New Building Construction: _____ square feet | \$ <u>0</u> |
| 3. New Building Addition(s): _____ square feet | \$ <u>0</u> |
| 4. Reconstruction/Renovation: _____ square feet | \$ <u>0</u> |
| 5. Infrastructure Work: | \$ <u>0</u> |
| 6. Manufacturing Equipment: | \$ <u>50,000</u> |
| 7. Non-Manufacturing Equipment (furniture, fixtures, etc.): | \$ <u>50,000</u> |
| 8. Soft Costs: (professional services, etc.): | \$ <u>700,000</u> |
| 9. Other, Specify: <u>Intangible Property (goodwill, etc.)</u> | \$ <u>9,950,000</u> |

TOTAL Capital Costs: \$ 12,000,000

Project refinancing; estimated amount
(for refinancing of existing debt only)

\$ 0

Sources of Funds for Project Costs:

- 1. Bank Financing: \$ 5,750,000
 - 2. Equity (excluding equity that is attributed to grants/tax credits): \$ 6,250,000
 - 3. Tax Exempt Bond Issuance (if applicable): \$ 0
 - 4. Taxable Bond Issuance (if applicable): \$ 0
 - 5. Public Sources (Include sum total of all state and federal grants and tax credits): \$ 0
- Identify each state and federal grant/credit:
- _____ \$ _____
 - _____ \$ _____
 - _____ \$ _____
 - _____ \$ _____
- Total Sources of Funds for Project Costs: \$ 12,000,000

Have any of the above costs been paid or incurred as of the date of this Application? Yes or No
If Yes, describe particulars: _____

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent): \$ Up to \$2,500,000

Estimated Mortgage Recording Tax Exemption Benefit (product of Mortgage Amount as indicated above multiplied by 1.25%): \$ Up to \$31,250

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit:

\$ N/A for mtg tax

Estimated State and local Sales and Use Tax Benefit (product of 8% multiplied by the figure above):

\$ N/A for mtg tax

*** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

Real Property Tax Benefit:

IDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section IV of the Application.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II(G) of the Application.

H) What is your Project timetable (provide dates):

1. Start date – acquisition of equipment or construction of facilities: Began in late 2018.
2. Estimated completion date of Project: April 25, 2019
3. Project occupancy – estimated starting date of operations: April 25, 2019
4. Have construction contracts been signed? Yes or No
5. Has financing been finalized? Yes or No

I) Have site plans been submitted to the appropriate planning department?

Yes or No

If yes, has the Project received site plan approval from the planning department?

Yes or No.

If yes, please provide the Agency with a copy of the related State Environmental Quality Review Act (“SEQRA”) determination that may have been required to be submitted along with a copy of the approved site plans.

Please provide the Agency with the status of any required planning department or other approval: N/A; please note that the responses to the two questions above are N/A.

J) Is the Project necessary to retain existing employment: Yes or No

Is the Project necessary to expand employment: Yes or No

K) Employment Plan (Specific to the proposed Project location):

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the jobs to be created upon THREE Years after Project Completion*
Full Time	60	60	N/A - Necessary to retain existing employment	N/A - Necessary to retain existing employment
Part Time	0	0	N/A	N/A
Total FTEs	60	60	N/A	N/A

*For purposes of this question, please estimate the number of FT and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Marker Area, in the fourth column. The Labor Marker Area includes Steuben, Schuyler, Chemung, Yates, Allegany, and Livingston Counties.

Salary and Fringe Benefits for Jobs to be Retained and/or Created:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	\$98,000	\$9,000
Professional	\$66,000	\$9,000
Administrative	\$38000	\$9,000
Production	\$50,000	\$9,000
Independent Contractor	N/A	N/A
Other	N/A	N/A

Employment at other locations in the state: (provide address and number of employees at each location):

	Address	Address	Address
Full time	0		
Part Time	0		
Total FTEs	0		

Please note: The Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Section III Retail Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

- A. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Yes or No. If the answer is yes, please continue. If no, proceed to section IV.

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? _____ %.
- If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section IV.**

If the answer to A is Yes **AND** the answer to Question B is greater than 33.33%, please answer the questions below:

1. Will the project be operated by a not-for-profit corporation Yes or No.
2. Is the Project location or facility likely to attract a significant number of visitors from outside the economic development region in which the project will be located?
- Yes or No

If yes, please provide a third-party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?
- Yes or No

If yes, please provide a third party market analysis or other documentation supporting your response.

4. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?
- Yes or No.

If yes, explain _____

5. Is the project located in a Highly Distressed Area, as defined by the US Census Bureau?
- Yes or No

Section IV: Estimate of Real Property Tax Abatement Benefits and Percentage of Project Costs financed from Public Sector sources

Section IV of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

Estimates provided are based on current property tax rates and assessed values.

PILOT Estimate Table

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property*	County Tax Rate/1,000	Local (town/village/city) Tax Rate/1,000	School Tax Rate/1,000

*Apply equalization rate to value

Abatement Year	Current Taxes	New Without PILOT	Total Tax Liability	Proposed PILOT New	Total PILOT New + Existing	PILOT Savings
Total						

Section V Representations, Certifications and Indemnification

This Section of the Application can only be completed upon the Applicant receiving, and must be completed after the Applicant receives, IDA Staff confirmation that Section I through Section IV of the Application are complete.

Imran Parekh (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the Vice President (title) of Automated Cells & Equipment Acquisition, LLC (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

- A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.
- D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. **Hold Harmless Provision:** The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording

tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:
 - (i) a non-refundable \$750 application and publication fee (the "Application Fee");
 - (ii) an amount equal to one percent (1%) of the total project costs, unless otherwise agreed to by the Agency; and
 - (iii) all fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.
- J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture

Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.

- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

- P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- Q. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

STATE OF NEW YORK)
COUNTY OF) ss.:

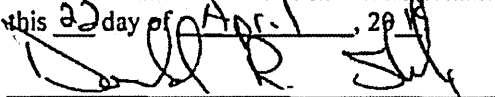
Imran Parekh, being first duly sworn, deposes and says:

1. That I am the Vice President (Corporate Office) of Automated Cells & Equipment Acquisition, LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.



(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury

this 22 day of Apr., 2019


(Notary Public)

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COMM. EXP. 5/5/2022

Cost-Benefit Analysis for Automated Cells and Equipment LLC

Prepared by Steuben County IDA using InformAnalytics

Executive Summary

INVESTOR
ACE Mortgage Exemption

TOTAL INVESTED
\$12.0 Million

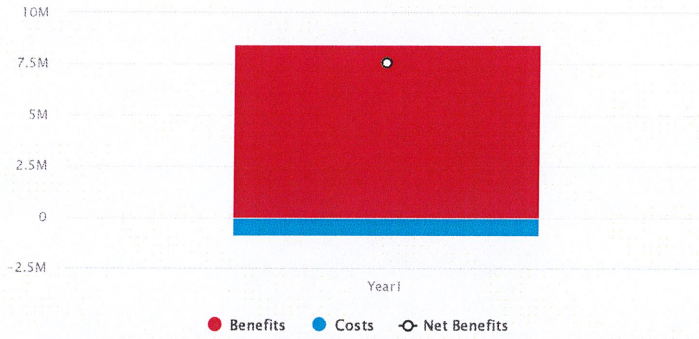
LOCATION
9699 Enterprises Drive Painted Post

TIMELINE
1 Years

F1 FIGURE 1

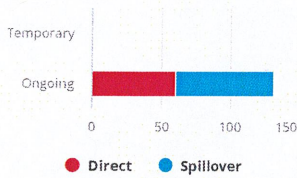
Discounted* Net Benefits for Automated Cells and Equipment LLC by Year

Total Net Benefits: \$7,571,000



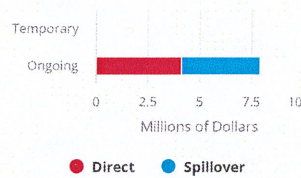
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Discounted at 2%

Proposed Investment

ACE Mortgage Exemption proposes to invest \$12.0 million at 9699 Enterprises Drive Painted Post over 1 years. Steuben County IDA staff summarize the proposed with the following: In April Automated Cells Inc. was purchased by Aloï out of Rochester and a new company was formed, Automated Cells LLC. The company is looking to refinance the existing mortgage and has requested an exemption of the sales tax.

T1 TABLE 1

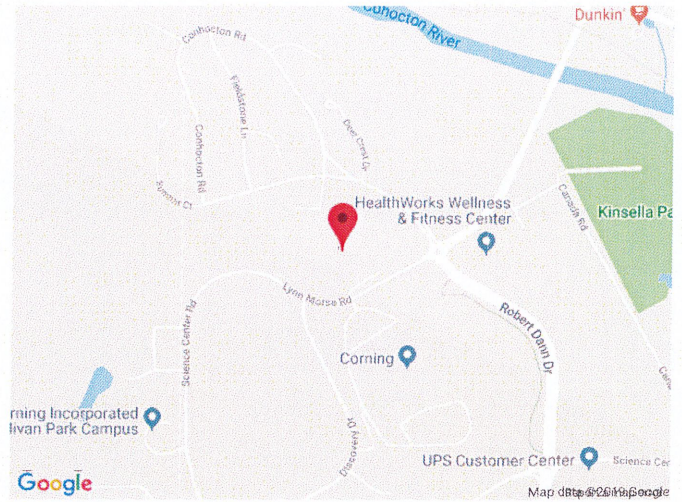
Proposed Investments

Description	Amount
OTHER SPENDING	
Business Purchase	\$12,000,000
Total Investments	\$12,000,000
Discounted Total (2%)	\$12,000,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Steuben County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 1 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Steuben County IDA is considering the following incentive package for ACE Mortgage Exemption.

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$900,000	\$900,000
Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$900,000	\$900,000

May not sum to total due to rounding.

* Discounted at 2%

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$4,191,000	\$3,794,000	\$7,985,000
To Private Individuals	\$4,145,000	\$3,752,000	\$7,897,000
Ongoing Payroll	\$4,145,000	\$3,752,000	\$7,897,000
To the Public	\$46,000	\$42,000	\$88,000
Ongoing Sales Tax Revenue	\$46,000	\$42,000	\$88,000
STATE BENEFITS	\$260,000	\$227,000	\$486,000
To the Public	\$260,000	\$227,000	\$486,000
Ongoing Income Tax Revenue	\$207,000	\$179,000	\$386,000
Ongoing Sales Tax Revenue	\$52,000	\$48,000	\$100,000
Total Benefits to State & Region	\$4,450,000	\$4,021,000	\$8,471,000
Discounted Total Benefits (2%)	\$4,450,000	\$4,021,000	\$8,471,000

May not sum to total due to rounding.

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$7,985,000	\$420,000	19:1
State	\$486,000	\$480,000	1:1
Grand Total	\$8,471,000	\$900,000	9:1

May not sum to total due to rounding.

* Discounted at 2%

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